

4 wounded in Jerusalem blast

OCCUPIED JERUSALEM (R) — Four people were hurt, one of them seriously, when a small bomb exploded in a car in central Jerusalem at noon Saturday. Police said the driver of the car, who was badly injured, and three passengers who were also wounded were all known criminals. Sabotage was not suspected. The explosion was near the post office building in Jaffa Street.

Jordan Times

An independent political daily publication

مؤسسة الصحافة الأردنية "الرأي"

Volume 7 Number 2061

AMMAN, SUNDAY SEPTEMBER 12, 1982 — DHUL QAIDA 24, 1402

Price: Jordan 100 fils; Syria 1 pound; Lebanon 1 pound; Saudi Arabia 1.50 riyals; UAE 1.50 dirhams; Great Britain 25 pence

N. Lebanon carbomb kills 3

BEIRUT (R) — Three people were killed and several wounded Saturday when a car-bomb exploded in the northern Lebanese port of Tripoli, security sources said. State-run Beirut Radio said the explosives in the car weighed 70 kilograms and the blast set fire to other cars. In a telephone call to news media, a man claimed responsibility in the name of the "Shalom Freedom Fighters", a previously unknown group. The man said the organisation would extend its operations to the Christian town of Zgharta, seven kilometres east of Tripoli. Tripoli and Zgharta are the strongholds of former president Suleiman Franjeh, who is opposed to the election to presidency of rightist militia commander Bashir Gemayel.

Vatican confirms Pope will meet Arafat

VATICAN CITY (R) — The Vatican confirmed Saturday that Pope John Paul will meet Palestinian leader Yasser Arafat next week. Vatican spokesman Father Romeo Panciroli told reporters that the Pope was "ready to meet Yasser Arafat on the occasion of his visit to Rome for the Inter-Parliamentary Union conference." He said that the audience was a measure of the Pope's regard "for the Palestinian people, of whose sufferings and rights the Pope has spoken recently." Mr. Arafat is due in Rome on Sept. 15 to take part as an observer at the 98-nation conference of the Inter-Parliamentary Union. He will also hold talks with President Sandro Pertini and Italian government leaders, former Prime Minister Giulio Andreotti said Friday.

Nott to visit S. Arabia after Kuwait

RIYADH (A.P.) — British Defence Secretary John Nott will visit Saudi Arabia after concluding his current trip to Kuwait, the Saudi state radio reported Saturday. The radio said the visit will be at the invitation of Saudi Defence Minister Prince Sultan and that the talks will centre on bilateral relations. Mr. Nott met in Kuwait Saturday with Crown Prince and Prime Minister Sheikh Saad Al Sabah to discuss the situation in the Gulf area and the latest developments in the Iran-Iraq war. He later conferred with Foreign Minister Sabah Al Ahmad, who briefed him on the outcome of the Fez Arab summit.

Guerrillas free Salvador minister

SAN SALVADOR (R) — Deputy Defence Minister Col. Francisco Adolfo Castillo, captured by leftist guerrillas in June, has been freed, according to people who say they represent the guerrillas. They telephoned local news offices in San Salvador Saturday to say the colonel had been handed over to the Red Cross. Red Cross officials were not immediately available for comment and the army said it had no knowledge of the colonel's whereabouts. Col. Castillo, the highest-ranking officer ever to fall into guerrilla hands, was seized after his helicopter went down in the rugged northeastern Morazan Province during heavy fighting.

Bombay High gas blow-out capped

NEW DELHI (R) — A team led by veteran U.S. oil fire-fighter Paul "Red" Adair capped a gas blow-out in an exploratory oil well off India's west coast Saturday, the Press Trust of India (PTI) reported. The operation, conducted by experts from the "Red" Adair Company and the state-owned Oil and Natural Gas Commission, lasted six weeks, PTI said. The well, in the off-shore Bombay High, was being drilled when columns of gas with traces of oil gushed out on July 30. Two days later the well caught fire and the blaze destroyed a drilling rig before dying down soon after.

Priceless artifacts stolen from museum

NEW YORK (R) — Twenty-five Mayan jade artifacts, described as priceless and irreplaceable, have been stolen from the American Museum of Natural History in New York, a museum official said Saturday. The pieces, dating from 300 to 900 A.D. and ranging from a 17-centimetre high plaque showing three figures, were insured for a nominal value of \$478,000. The artifacts, from the Mayan civilisation of Central America and Mexico, were missed last Monday. The official said the theft was not published previously because it was first thought that the items missing were of much lower value. Police believe the thief hid in the museum after it closed the previous night and escaped by climbing down a rope from a first-floor window.

Mideast fact-finding team in Jordan

AMMAN (Petra) — A fact-finding mission arrived here Friday evening in the course of a tour in the Middle East in the aftermath of Israel's invasion of Lebanon.

The team, led by Professor Richard Falk from Princeton University, will be meeting with a number of senior Jordanian officials, Palestinian fighters who left Beirut recently and a number of wounded and other victims of the Israeli invasion of Lebanon, Prof. Falk said.

The team, he said, is not affiliated to any nation or organisation and will strive to gather

information and arrive at the truth concerning Israel's violations of the international law.

The mission has visited Lebanon and witnessed the vast destruction there caused by the Israeli invasion particularly in south Beirut and the Palestinian refugee camps as well as hospitals around the city. The mission also met with wounded people as well as doctors and a number of Lebanese officials and representatives of various political factions, Prof. Falk said.

On their visit to Israel, the mission members were refused any meeting with government officials

and were barred from meeting Nablus Mayor Bassam Al Shak'a, but despite that the mission was able to gather information about Israel's human rights violations from Israeli officers and soldiers and from other sources in the occupied territories, Prof. Falk added.

The multinational mission was set up on Aug. 28 in the wake of Israel's invasion of Lebanon. The mission members are all specialists in international law and well-versed in Middle Eastern affairs. They had visited Lebanon and the occupied Arab territories before coming to Jordan.

Iraqis sink unidentified vessel in Gulf

BAGHDAD (R) — Iraq said its military exclusion zone and threatened to sink any ship of any nationality that entered the area. Iraq says its planes have also damaged Iran's largest oil export terminal on Kharg Island, but Iranian officials say the damage has not been significant.

The military spokesman said all Iraqi planes returned safely to base Saturday.

Stranded Turkish ships

Meanwhile, Turkey is trying to obtain a guarantee of safe passage from Iraq for two of its ships str-

anded by the Gulf war in Bandar Khomeini, a Turkish Foreign Ministry spokesman said.

The Turkish spokesman said Friday that Iraqi diplomats had been contacted here and in Baghdad in an effort to guarantee a safe passage for two Turkish ships, named as the Nazli and the Osman Askoy, stranded in Bandar Khomeini for over two weeks.

Both vessels have apparently been unable to leave the Iranian port since unloading iron and steel and wheat there, for fear of being attacked.

44 killed in U.S. helicopter crash

MANNHEIM, West Germany (R) — A U.S. military helicopter disintegrated in flight and plunged into a motorway Saturday, killing 44 people including many civilian motorists from Britain, France, West Germany and Canada, police said.

A police spokesman said 39 parachutists and five U.S. military crew died in the crash just before 1 p.m. (1100 GMT).

City authorities said the parachutists were 23 Frenchmen from Toulon, eight Britons from Swansea, seven West Germans and one Canadian woman.

Toulon and Swansea are twin cities of Mannheim.

The number of parachutists killed was still in dispute, however. A statement from the U.S. forces headquarters in Heidelberg said the helicopter "carried approximately 30 sports parachutists."

Names and addresses of the victims will not be released until their next of kin have been notified, a U.S. Air Force spokesman said, adding that this would take several days.

He said German and American authorities were on the scene to investigate possible causes of the accident and to recover bodies entangled in the wreckage. Blazing parts were strewn across both sides of the Mannheim-Heidelberg motorway.

Police said no one driving along a little-used section of the motorway near Mannheim airport was injured. The road was closed after the accident.

The helicopter was on its way to an international air show in which the parachutists were to have taken part.

Witnesses told Reuters they saw one of the helicopter's blades come off just before it crashed from a height of more than 200 metres. Police said there was a defect in the back blade.

"Suddenly the clatter stopped, and when I looked up I saw the helicopter sagging backwards and one of its blades coming off," said one witness.

"Then everything happened like a flash of lightning—bits of metal were everywhere, and the helicopter went down like a stone."

Seconds later, a column of fire rose from the scene of the crash." West German Television said the CH-47 Chinook helicopter—sometimes known as the "flying banana"—exploded in mid-air. There was no official confirmation of this report.

Witnesses said they saw two corpses lying on the road, covered with white sheets. Some of the remains of other bodies, which could be seen entangled in the wreckage, were badly mutilated.

One rotary blade stuck out of the blackened tangle of wires, shredded metal and broken cables, and bushes along the motorway were completely burned down, the witnesses said.

The air show, to celebrate Mannheim's 375 years as a city, had been due to begin in the afternoon.

Thousands of spectators departed in silence after the accident.

One civilian pilot who had been due to take part in the show said he had the impression that the helicopter's pilot had tried everything to reach the motorway so as not to crash on the crowds at the airfield.

Italy issues arrest warrants for Bologna bombing suspects

BOLOGNA, Italy (A.P.) — Prosecutors issued arrest warrants Saturday for three Italians and two foreigners in connection with the 1980 bombing of the Bologna train station that killed 85 people and injured 200.

State prosecutors Aldo Gentile and Giorgio Fiorina announced the warrants for complicity in mass murder during a news conference in this central town 105 kilometres north of Florence.

They identified the Italian suspects as Maurizio Giorgi, 39, of Rome, Pier Luigi Pagliai, 28, of Milan, Stefano Delle Chiane, no age or hometown given. The foreigners named in the warrants were Joachim Fiebelorn, 35, of Leipzig, West Germany, and Olivier Danet, 29, of Rouen, France.

All five suspects have been linked with various neo-fascist organisations, the prosecutors said. Mr. Giorgi is in an Italian prison, but the others are still at large, they said.

The prosecutors said they suspect Mr. Chiale of masterminding the Aug. 2, 1980, bombing in the train station's crowded second class waiting room. He and other suspects are believed to be hiding in Bolivia and Argentina, he said.

Five persons were arrested earlier this year for the bombing, but no trial date has been set.

Mr. Gentile said the investigation is continuing and that more arrest warrants are expected.

Pipeline sanctions mar NATO cohesion

BRUSSELS (R) — The U.S. ambassador to North Atlantic Treaty Organisation (NATO) and the alliance's secretary-general have acknowledged that President Reagan's tough stand against construction of the Soviet gas pipeline has damaged the defence organisation's cohesion.

But Ambassador W. Tapley Bennett sought Friday to play down the disarray, saying that the alliance "has not been too much affected."

However NATO Secretary General Joseph Luns said the pipeline fight had placed new pressure on the alliance, already harassed by the peace movement. They made their remarks in

separate news conferences when asked about the effect on NATO of Mr. Reagan's imposition of sanctions against Western European firms selling U.S.-licensed pipeline components to the Soviet Union.

Mr. Luns, NATO's secretary-general for 11 years, said disarray in NATO today were more serious than in the past. The alliance's secretary-general said that as well as the peace movement and the pipeline, problems affecting the alliance included U.S. charges that European countries were not carrying their fair share of the defence load and that Europeans were selling steel in the United States below cost.

Mr. Bennett, in his remarks, conceded that there were divisive issues within NATO, although not as serious as some of those in the past, which included the Suez crisis and the acceptance of the rearmament of West Germany.

He told reporters the steel and pipeline issues were not truly NATO matters, and had not been taken up by the defence organisation, although they hung over the NATO discussions. But, the ambassador said, "it needs a meeting of the mind and that is being worked on." He added that "the daily work of the alliance goes on, and has not too much affected."

'Arab proposals lack means of application'

Mubarak prefers Reagan plan for Mideast peace

PARIS (A.P.) — Egyptian President Hosni Mubarak said Saturday he currently supported President Ronald Reagan's peace initiative for the Middle East and the Arab plan adopted by the Fez summit lacks "means of application."

Speaking after a 90-minute meeting with President Francois Mitterrand, he was asked by reporters whether the joint Franco-Egyptian initiative might be revived.

"I think it is better to support the Reagan initiative and encourage as much as we can the United States to move forward. The initiative contains positive points but we have remarks to make which we will raise with the Americans," Mr. Mubarak said.

Mr. Mubarak said the peace plan put forward this week by the Arab summit in Fez, Morocco, was "very good for the cause of the Middle East, but lacks the means of application."

It was the first official Egyptian comment on the joint Arab plan formed at the 12th Arab summit in Fez. Egypt was suspended from Arab League membership after it signed the Camp David accords with Israel, but the Fez summit decided to open talks about Egypt's return to the league.

Asked about the possibility of Egypt's renewed membership, Mr. Mubarak said, "Cairo is not in a hurry" but an Arab delegation to Cairo would be "welcome and well welcomed," adding "like any delegation or individual."

Mr. Mubarak said the Arab plan was raised in his talks with

Mr. Mitterrand "in general." He had requested the meeting during a brief stop-over in Paris en route home after visits to Yugoslavia and Romania.

The Egyptian president said he had come to Paris because of Egypt's long and firm relations with France. He said Egypt and France would continue their consultations "especially at this time, when very important events are taking place in the world and notably in the Middle East."

Scepticism on Arab plan

President Mubarak was sceptical about how the Arab peace initiative would be implemented.

"My personal point of view is that Fez has set very good goals for solving the problem of the Middle East—mostly the resolutions which have been adopted by the international organisations," he said.

"But Fez lacks the mechanism of how to achieve its goals."

When asked what kind of mechanism was necessary, he replied: "Who is going to execute all the goals set in Fez and how? All that is mentioned in the Fez statement is what every Arab wants to achieve. The point is how. So I think you could ask the Arab summit

what mechanism and how it will work. It is not my business."

President Mubarak added: "There are positive points in the American initiative and we also have some remarks to make about it. And we are going to say so to the United States."

"But I think that to sit around a table and start negotiations is the best way to achieve a comprehensive peace settlement."

The Egyptian leader said no initiative in the world would satisfy everyone.

French officials had given a guarded welcome to President Reagan's Middle East peace initiative but said they were also aware of Arab reactions and the Israeli government's rejection of the proposals.

They noted with satisfaction that Mr. Reagan's plan was inspired by two principles central to France's Middle East policy—the recognition that countries in the area, including Israel, had a right to live in security and the recognition of the legitimate rights of the Palestinian people.

Arab and French diplomatic sources said one aim of the French-Egyptian U.N. draft resolution was to salvage political space for the Palestine Liberation Organisation (PLO) after its withdrawal from Beirut in the face of heavy military pressure by Israeli forces.

President Mubarak was asked whether he favoured a Lebanese peace treaty with Israel. "The Lebanese have stated that this would be interference in their internal affairs... so I do not want to interfere in Lebanon's affairs," he said.

Israel wants quick treaty with Beirut

TEL AVIV (R) — Israel wants to sign a peace treaty with Lebanon to end the state of war between them and "bolster its security," Foreign Minister Yitzhak Shamir said.

A pact should be concluded quickly "because every delay could complicate matters," he told Israel Radio.

Mr. Shamir said Israel's demand for "security" along its borders was linked to its relations

with Lebanon.

"There is a difference between security arrangements made with a country at peace and with one that is not."

He said he was sure Israel could come to an understanding with Lebanese President-elect Bashir Gemayel, adding: "We have much in common with him—mutual understanding, identical interests and many years of friendship."

Mr. Shamir was speaking after

Israeli leaders rejected new peace proposals by Arab states as merely another plan for "destroying" Israel.

Arab heads of state meeting in Morocco had tacitly acknowledged for the first time Israel's right to exist within secure boundaries, but they repeated demands for an independent Palestinian state with Arab East Jerusalem as its capital.

PLO newspaper rejects recognising Israel

DAMASCUS (R) — A Palestine Liberation Organisation (PLO) newspaper said Saturday that an Arab peace plan which appears to accept the existence of Israel could not force the PLO to recognise the Jewish state.

The afternoon daily Sada Al Maarakah, published here, was commenting on the plan adopted this week at the Arab summit conference in Fez, Morocco.

One of the eight points of the plan calls on the United Nations Security Council to "guarantee the peace among all the states of the region," wording which has been widely interpreted as an offer of peaceful coexistence with Israel.

Habash, Hawatmeh in Bekaa

The newspaper reported that two Palestinian leaders, George Habash and Nayef Hawatmeh,

Friday visited Palestinian fighters in east Lebanon's Bekaa Valley which is controlled by Syrian forces.

It quoted them as saying the situation in the Bekaa, where Syrian and Palestinian forces are facing Israeli invasion troops, was potentially explosive. Mr. Habash was quoted as urging the fighters

"to pursue the struggle against the Zionist enemy."

Fez summit 'disappointed' Lebanon

BEIRUT (R) — Foreign Minister Fuad Boutros said Saturday Lebanon was disappointed by the attitude to its problems displayed by Arab leaders at the Fez summit.

He told reporters the Lebanese delegation had hoped the summit would endorse in full a Lebanese government working paper calling for the withdrawal of all foreign forces from its territory.

The final statement issued in Fez merely said the Arab League had endorsed the mandate of the all-Syrian Arab Deterrent Force (ADF) in Lebanon and proposed negotiations between Damascus and Beirut on its withdrawal. It made no mention of an armed Palestinian presence on Lebanese territory.

"The summit was disappointing for Lebanon, not for the first time. I regret to say they (the Arab leaders) avoided facing facts," Mr. Boutros said after being briefed by Minister of State Joseph Abu Khater, who headed Lebanon's delegation.

"The Lebanese working paper was ignored and that is most regrettable," he said.

Leftists seek to prolong French contingent's stay

Italian troops leave Lebanese capital

discussed.

The Italian force, 530 men of the crack Bersaglieri (Targeters) regiment, gathered at Beirut's war-ravaged port Saturday morning to board ships for Cyprus, from where they were due to fly home.

Some of the soldiers, wearing their regiment's distinctive plumed helmets and purple scarves, assembled in an empty warehouse for a roll-call. A sleek Italian frigate and a chartered cargo vessel took heavy equipment were moored at the quay outside.

The Bersaglieri arrived in Beirut on Aug. 26 and immediately took control of a hazardous crossing point between besieged west Beirut and the Israeli-controlled east of the city.

Over the next week they escorted thousands of Palestinian fighters and Syrian troops, all armed, through Israeli lines to Syrian-held areas of east Lebanon.

One officer on the quay said the mission had been dangerous and it was a relief to be leaving.

The 800 U.S. Marines who also took part in the multinational

force left for home Friday.

As the Italians moved out there were signs that the Muslim and leftist leaders, weakened by the departure of the Palestinians and the continued occupation of half the country by Israel, were preparing to cooperate with the man who takes over as president of Lebanon next week, rightist militia leader Bashir Gemayel.

Former Prime Minister Saeb Salam, one of the most prominent Muslim figures, held lengthy talks with Mr. Gemayel Saturday at the presidential palace just outside Beirut.

The Muslim and leftist leaders campaigned bard against Mr. Gemayel's election, branding him a partisan candidate who would represent only the interests of the rightist Christians.

But earlier this week the Muslim and leftist leaders issued a statement laying out how they wanted Lebanon to be run in a move designed to provide a basis for negotiations with the new president.

Attempt to reopen parliament, page 8

Diplomats praise Moroccan role in summit's success

RABAT (R) — Morocco scored a major diplomatic success this week by staging the Arab summit that indirectly recognised Israel for the first time in the 35-year-old Arab-Israeli conflict, diplomatic sources said here Saturday.

They said King Hassan played a key role to ensure the successful outcome of the four-day meeting in Fez and noted that fellow Arab leaders praised the Moroccan monarch for the way he handled the sometimes heated debates.

The reconvening of the 12th Arab summit was in itself a success for Morocco after the failure of several other Arab initiatives to hold high-level talks on a joint Arab reaction to Israel's invasion of Lebanon, they said.

The 12th summit was suspended a few hours after it opened in Fez last year because some Arab states, including Syria and Libya, opposed Saudi Middle East peace proposals which eventually became the basis of the Arab plan adopted this week.

King Hassan Friday expressed satisfaction at his decision to suspend last year's summit and said those who had hoped it would never resume were the losers.

This year's summit was attended by President Hafez Al Assad of Syria, whose absence last year contributed to the suspension of the talks.

Libya alone boycotted the latest Fez meeting, further increasing its isolation in the Arab World.

Morocco's success in holding the Fez meeting contrasted with Libya's failure to stage an Organisation of African Unity (OAU) summit in Tripoli last month because of a Moroccan-led boycott by some 20 African states.

The collapse of the Tripoli summit was caused by the opposition of the boycotting states to the admission to the OAU of the Polisario guerrillas who are fighting Morocco in the Western Sahara with Libyan and Algerian backing.

Diplomatic sources regarded as another Moroccan diplomatic gain the presence in Fez of Algerian Foreign Minister Ahmad Taleb Ibrahim.

Algerian President Chadli Bendjedid's own presence had not been expected because the two countries severed diplomatic relations in 1976 over the Western Sahara issue. But Dr. Taleb Ibrahim's participation could be regarded as one of high level, the sources said.

Fez plan—a step forward, page 8

MIDDLE EAST

Arab banks prove active

EDITOR'S NOTE: The following is the text of the paper presented by Mr. Abdullah A. Saudi, President and Chief Executive of the Arab Banking Corporation (ABC) in Bahrain, at the Arab Bankers Association Conference, "Arab Banking & Finance in the 1980s", held in London, June 7-8, 1982.

The OPEC surplus

The organisers have asked me to speak on the topic of Arab banks and the Eurocurrency markets. But before turning to this subject, I would like to make a few observations on the question of the OPEC surplus, as the development of both Arab banking and the Eurocurrency markets has been closely connected with this issue. Neither, however, as I will try to explain, are direct dependents of the OPEC surplus as popularly formulated in the aftermath of the first major oil price adjustment in 1973/74.

Although during the last decade the OPEC surplus was pinpointed by popular opinion as the cause for money market instability, no one has been consistent as to its magnitude. For instance, in the summer of 1980 a leading business magazine made an assumption of an exponential growth of the surplus to reach \$1,176 bn by 1985, but by March of this year, according to this same magazine, the grab had turned 90 degrees clockwise to record a zero surplus by 1983. Interestingly, in both instances, OPEC is blamed for any perceived dislocations in the world's economic order. In the first scenario, it is guilty of bringing too much liquidity into the market, threatening international market stability, and causing havoc with foreign exchange markets through constantly chasing strong currencies. In the second instance, when many of the OPEC members are finding their current account under severe pressure and are suddenly short of revenues to fund their ambitious development schemes, the market immediately starts questioning their creditworthiness for prospective borrowing. There is no doubt that the OPEC surplus is given an exaggerated importance which at the same time minimises the other more dramatic changes in the world economic order: the abolition of the gold standard, the introduction of floating currencies, and more recently the conversion of a good part of industrialised world to monetarism.

But ladies and gentlemen, if there is to be agreement that the OPEC surplus was responsible for the creation of 'hot money' which led to the instability of the money markets during the 1970s, then we bankers gathered here today should be very pleased. For according to what we read in the media, the OPEC surplus is over, and so using the media's own logic we should soon be being an end to the years of unstable money markets. In my opinion, the most common source of confusion concerning the OPEC surplus stems from failure to distinguish between the annual flow, into the international markets, of cash derived from oil sales and the accumulated volume of funds that the oil exporting countries have deposited in these markets. The OPEC surplus is an abbreviated title for OPEC countries' combined current account surplus. In that extent there is no arguing with talk of a net OPEC surplus for 1980 of plus \$106 billion or a possible net OPEC deficit for 1982 of minus \$15 billion. But this kind of accounting fails to show the significant amounts invested by both private and public sectors and also the reinvestment of income on previously deposited surpluses. Most importantly while economists, bankers, and journalists continue to concentrate on the annual volatility of the OPEC revenues, and on the liquidity problems that these are supposed to create on the international markets, too much of too little, they fail to acknowledge that OPEC countries have steadily accumulated some \$400 billion gross foreign assets. Even in 1982, which may well turn out to be an overall deficit year, OPEC countries still have these \$400 billion worth of foreign assets.

Sometimes, one cannot understand the reaction of some bankers to OPEC countries' need for borrowing just because annual oil revenues started to decline. Serious questions are asked about the creditworthiness of OPEC countries that ignore not only these \$400 billion worth of accumulated assets, but also all the oil that's left in reserves. One fact I think we all can agree on is that it is still a very valuable asset, and that its price per barrel today is almost 15 times what it was in the early 1970s. Oil has to be seen as better collateral than many of other assets we normally accept as security for our loans.

OPEC nations should acknowledge the lessons of the 1970s,

that oil left in the ground is a far better national investment than oil revenues deposited in the international markets. In my opinion, they would be wise to revise their development plans and to tailor oil production levels to their own needs. The atmosphere of the 1970s led many OPEC governments to believe that oil was not a lasting asset, that its value while left in the ground was being eroded by the development of alternative fuels, and that the time-span for developing a modern economy was short. In the light of today's falling surplus, this is seen to be not the case. Alternative fuel projects, we read, are being abandoned every day. Oil is still the key, and if OPEC members trim production to real development needs, the cut in global oil supplies will be the best assurance of a steady climb in the price of oil.

The Eurocurrency markets

Now I should like to turn to my main subject of discussion today and to start with the Eurocurrency market. Although the creation of this market is often attributed to OPEC and OPEC is blamed for its performance, it is only fair to put the record straight. It was not the OPEC surplus but U.S. monetary policies of the 1960s, particularly the interest Equalisation Tax, restrictions on foreign lending and Resolution Q of 1969, setting a ceiling on U.S. domestic interest rates, which led to the creation of the Eurocurrency market. However, the conditions of the Eurocurrency market clearly suited the demands of managers of the OPEC surpluses for liquid dollar placements.

During the 1970s, the Eurocurrency market undoubtedly eased the recycling of OPEC funds. National banking structures would have proved too regulated to assimilate the volume of funds without bottlenecks forming. But since the modest beginnings of the Eurocurrency markets in the 1960s, there has been little re-capitalisation of the banks operating within it. As a result of the inflationary effect of Western governments' helpless response to oil price adjustments, there has been a marked erosion of many banks' assets to capital ratio. Since 1979, Arab banks, whether government or privately owned, have become more actively involved in the continuing growth of the Eurocurrency markets. They have added considerably to their capital

base, attracting a large volume of funds deposited in these markets. And if, as it seems likely to me, liquidity in the international markets declines over the coming years, Arab banks which have effected an increase in their capital base will be in a better position than many to attract deposits for the very reason that their capital structure will look far more secure than that of banks which have failed to restructure their capital.

Arab banking

The recent growth of Arab banking has been dramatic. Up until the mid-1960s, almost all Arab banking was domestically oriented; small-scale commercial banks operated along-side money-changers, with most foreign trade financing being handled by branches of foreign banks. The first sign of Arab banks emerging onto the international market came in the late 1960s with the formation of European-Arab consortia banks in Paris and Brussels. Their establishment coincided with the development of the Eurocurrency markets and with the conditions of currency instability, Arab nations realised the need to protect their growing economic interests by a direct presence in the international financial community. In Paris in 1968, there were only two wholly or partially owned Arab banks, and now there are above 35. There are now more than 50 Arab banks with an operating presence in London. In the U.S.A. the first noticeable Arab entry took place in 1976 through the creation of UBAF, Arab American Bank, but in 1980 and 1981 many of the larger Arab banks either opened representative offices in the U.S.A. or were granted licenses to open branches. Several Arab banks are in the process of establishing or have already operations in Singapore. Smaller Arab investment banks and companies are well represented in Luxembourg and the Caribbean offshore centers and of course in Bahrain, a very fast growing banking centre. Arab banks have more than a 50 per cent of all offshore assets which stand at present at over \$50 billion.

In terms of activities (other than trade and deposit-taking), the real emergence of Arab banks have been even more recent, in the first quarter of this year more than 40 Arab banks had managed one or more Euroloans. In 1979 there were no Arab banks in the top 50 lead managers. In 1980 there was one—Gulf International Bank—but last year there were 9 Arab banks in the top 100-Arab Banking Corporation, Gulf International Bank, Saudi International Bank, UBAF, KFTCIC, Arab Bank BAH, National Bank of Kuwait and the Commercial Bank. Last year Arab banks led or co-led 26 per cent of all Euro-loans. Arab banks have been successful in this market because they have been prepared to buy risks; but will they be similarly successful as they move into more

mainline activities of investment banking such as bond issues, direct investments, mergers and acquisitions, and other specialised investment banking services—a process which they should pursue in the years to come?

As I have said, Arab international banking started with the formation of the European-Arab consortia banks in the late 1960s and was given a significant boost by the 1973/74 oil price adjustment. The aims of the Arab shareholders in these early consortia were fourfold: to initiate Arab penetration of the international capital market; to provide training for young Arab bankers; to help cater for the financial needs of the Arab regions represented; and to be able to share in the management of their own funds. The early banks achieved some of these aims, particularly in the area of personnel training. But a combination of Arab shareholders from deficit and surplus countries rendered difficult agreement on whether these banks should be facilitating international lending to the deficit countries or aiming to achieve better dividends. More crucially, the foreign shareholders did not envisage the activities of the consortia encroaching on the special activities of their parent banks, such as portfolio management and correspondent banking.

In the mid 1970s, a new kind of consortium bank began to spring up with a more compact shareholding structure. Many of these banks sought to encourage investment and banking in specific geographical areas, almost all were formed by Arab surplus countries. Examples are the Banco Arabe Espanol set up in 1975, the Arab Latin American Bank, the Arab Turkish Bank and the Arab Hellenic Bank. Other banks established during the mid 1970s included the Gulf Riyadh Bank and the Saudi Investment Banking Corporation, both attempts by foreign banks—Credit Lyonnais and Chase Manhattan—to carve out a share of the Saudi Market, and three banks with a strong Saudi commitment to a greater direct international presence: Saudi International Bank, the Saudi Spanish Bank, and the Gulf International Bank in which Saudi Arabia was joined by the six other Gulf states.

By 1979, however, although Arab banks and consortia had become well established in international centres like Paris and London, several of the original objectives conceived by Arab shareholders in the early consortia

Table 2
OPEC's Annual Identified Deployed Net Cash Surplus and Accumulated Gross Net Foreign Assets, 1974-82 (billion dollars)

	end-1973	1974	1975	1976	1977	1978	1979	1980	1981*	1982*
Accumulated Gross Net Foreign Assets	7.1	60.3	95.5	131.3	164.8	178.2	244.3	350.2	407.7	392.7
OPEC Identified Net Cash Surplus		53.2	35.2	35.8	33.5	13.4	66.0	106.0	57.5	-15.0
of which:										
Saudi Arabia		23.0	13.9	13.8	12.7	-1.0	10.9	41.4	42.0	...
current account		7.3	5.9	6.9	4.7	5.1	14.2	17.3
Kuwait current account										

Table 3
The Arab Role in Eurocurrency: Published Eurocurrency Bank Credit, 1978-81 (billion dollars)

		Borrowers		
		Industrial Countries	Non-OPEC LDCs	All Borrowers
All Lenders (a)	1978	29.0	26.7	70.2
	1979	27.2	35.2	82.8
	1980	39.1	23.5	77.4
	1981	44.0	24.0	91.4
Arab-led Syndications (b)	1978	1.4	2.4	6.9
	1979	2.2	2.2	7.7
	1980	3.3	3.2	8.0
	1981	10.5	10.2	23.9
Arab-led Syndications as % of All Lenders	1978	5.1	9.0	9.9
	1979	7.9	6.3	9.3
	1980	8.4	13.5	10.3
	1981	23.9	56.3	26.1

(a) Including OPEC, communist countries and international organisations, but excluding standby credits raised in 1981 by U.S. corporations in connection with merger operations.

(b) Loans in which one or more Arab banks (including consortia) acted as lead or co-lead managers.

Source: World Financial Markets.

banks remained elusive. In particular, Arab banks were still not managing a significant proportion of their own funds. The capital base of Arab banks operating in the international market in 1979 was estimated at just over \$2 billion while assets totalled a mere \$30 billion of the \$300 billion of Arab money identified as the accumulated gross foreign assets of OPEC members. Arab banks had yet to convince their own finance ministries that they offered as secure and well managed a portfolio deposit outlet for OPEC surplus funds as the large U.S. and European banks.

But in 1979, as well, a new phase in Arab banking began. The renewed availability of substantial surplus oil revenues within the Arab world coincided with a new understanding of the needs of Arab banking to concentrate large-scale resources in order to forge a more permanent and prominent position in the international banking community. A sizeable proportion of new Arab long-term investment was directed towards the creation of new banks or towards increasing the capital of existing banks. The formation of the Arab Banking Corporation in 1980 with a capital base of \$1 billion, subscribed by

the Kuwaiti Ministry of Finance, the Libyan Treasury Secretariat and the Abu Dhabi Investment Authority, was a clear indication of a new trend in Arab banking and of the seriousness with which this was to be undertaken. Since 1979 a large number of other Arab banks operating in the international market have also increased their capital. During 1981 alone, ten of the top 25 Arab banks increased their equity from between 20 and 100 per cent, among them the National Bank of Bahrain, Gulf International Bank, Saudi International Bank, KFTCIC, Industrial Bank of Kuwait, Arab Bank, Al Bahh, and Al Saudi Banque. New banks establishing themselves in Bahrain since 1980 have started with an initial capital averaging \$150 million. And the banking system in Saudi Arabia has been injected with a large volume of funds as the process of Saudization is completed, while the relaxing of reserve requirements by SAMA has led to many of these banks building up foreign assets and a place in the international market for the first time.

By the end of 1981, the position of Arab banks vis a vis Arab accumulated assets on the international market was decidedly

stronger in nominal terms as a result of this new wave of capitalisation. It has been estimated that the combined capital of the 25 most active Arab banks in the Eurocurrency market probably doubled from an end 1979 total of \$2.4 billion to nearer \$5 billion, giving these banks a capacity to support assets in the region of \$100 billion. To take the case of ABC, within two years the bank has been able to build up \$4.7 billion worth of deposits because of its healthy capitalisation which is not only subscribed but actually paid in. Arab banking has developed with breathtaking speed. But Arab banks are still comparatively young and must acknowledge the challenge to win investors' and depositors' confidence. A firm capital base is clearly a priority in this task, but there are other basic ingredients necessary to a successful operation—such as skilled management and a defined scope of activity. Arab banking in the 1980s, through activities in the Eurocurrency market and elsewhere, has the chance of providing the Arab world with a source of income that will one day prove more lasting and stable than oil or gas. That chance must not be missed.

—OPEC Bulletin

Table 1
OPEC's Annual Surplus and Placement in the Eurocurrency Market, 1974-81

	1974	1975	1976	1977	1978	1979	1980*	1981*
Annual OPEC Surplus (\$ Bn)	63.2	35.2	35.8	33.5	13.4	66.0	106.0	57.5
OPEC Surplus Placements in the Eurocurrency Market (\$ Bn)	21.6	7.9	11.5	10.7	1.1	28.5	14.8	8.1
The Eurocurrency Market's Share of Annual OPEC Surplus (%)	40.6	22.4	32.1	31.9	8.2	43.2	13.9	14.0

TV & RADIO

JORDAN TELEVISION

MAIN CHANNEL

16:30 Koran
16:30 Cartoons
17:40 Animals World
18:00 Local Programme
19:00 Programme Review
19:10 Sports
20:00 News in Arabic
20:30 Arabic Series
21:30 Documentary
22:00 Arabic Series
22:10 News in Arabic

FOREIGN CHANNEL

18:00 French Programme
19:00 News in French
19:30 News in Hebrew
20:00 News in Arabic
20:30 Documentary on Asia, the
Royal Jordanian Airline
21:00 Nanny
22:00 News in English
22:15 The Shillington Tales

RADIO JORDAN

855 KHz, AM & 99 MHz, FM
& party on 95.60 KHz, SW

07:10 Morning Show
09:00 News Summary
10:00 Morning Show
12:00 News Summary
12:45 Pop Station
13:00 News Summary
13:45 Pop Station
14:00 News Bulletin
14:10 Instrumentals
14:30 Science Report
15:00 Concert Hour
16:00 News Summary
16:45 Instrumentals, Old Favorites
17:00 Listeners' Choice
18:00 News Summary
18:05 Jazz Hour
19:00 News Bulletin
19:30 Date with a Star
20:00 Evening Show
21:00 News Summary
21:30 Evening Show
22:00 News Headlines

BBC WORLD SERVICE

639, 720, 1413 KHz
06:00 Newsday 06:30 A World of Wides

and Brass 06:45 Financial Review 06:55

Reflections 07:00 World News 07:05
British Press Review 07:15 Letterbox
07:30 On Wings of Song 07:45 Letter
from America 08:00 Newsday 08:30
Jazz for the Afters 09:00 World News
09:05 News about Britain 09:15 From
Our Own Correspondents 09:30 Arab
and Company 10:00 World News 10:05
Reflections 10:15 The Pleasure of the
11:00 World News 11:05 British Press
Review 11:15 People and Politics 11:45
Sports Review 12:15 Four Heads in
Harmony 12:30 Religious Service 13:00
World News 13:05 News about Britain
13:15 Letter from America 13:30 Play of
the Week 13:45 Play of the Week 14:30
Commentary 15:00 World News 15:05
Good Books 15:30 Short Story 15:45 The
Tory Myster Review Show 16:00 Sports
and Sex 17:00 Radio Newswatch
17:15 From the Promenade Concerts
18:00 World News 18:05 Commentary
18:15 From Our Own Correspondents
18:25 Financial Review 18:45 Letter
from America 19:00 World News 19:05
News about Britain 19:40 Reflections
19:45 Sportscast 20:00 World News 20:05
News about Britain 20:15 Radio Newswatch
20:30 25 Years of Rock 21:15 The
Habits 21:30 Gene Business 22:00
World News 22:05 Commentary 22:15
Letterbox 22:30 Sunday Half-Hour
23:00 The From Inself 23:15 The Pleasure
of the Young 24:00 World News 24:05
Science in Action 00:00 Reflections
00:45 Sportscast 01:00 World News
01:40 Commentary 01:15 Letter from
America 01:30 Diversions

VOICE OF AMERICA

05:00 The Breakfast Show: 17:00 News
and Topical Reports 17:15 News
Horizons 17:30 Issues in the News 18:00
Special English News 18:10 Words and
their Stories 18:15 Special English
Feature: People in America 18:30 Music
USA: Standards 19:00 News and New
Products (USA) 19:15 Critics Choice
19:30 World One 20:00 Special English:
News/Worlds and their stories 20:15
People in America 20:30 Music USA
(Standards) 21:00 News and Topical
Reports 21:15 New Horizons 21:30 Issues
in the News 22:00 Special English:
News/Worlds and their stories 22:15
The Concert Hall 22:30 News and New
Products USA 23:15 Critics Choice 23:30
Special One

WHAT'S GOING ON

LECTURE

* Jeonrey King will be delivering a lecture on archaeological research in the American Centre for Oriental Research at 6:00 p.m.

CULTURAL CENTRES

American Centre tel. 41520
British Council 36147-8
French Cultural Centre 39777
Goethe Institute 41993
Soviet Cultural Centre 44203
Spanish Cultural Centre 24049
Turkish Cultural Centre 39777
U.S. Arts Centre 665195
Hassan Youth City 667181
Y.W.C.A. 41793
Y.W.M.C.A. 664251
Amman Municipal Library 36111
University of Jordan Library 84355

MUSEUMS

Raidore Museum: Jewelry and costumes over 100 years old. Also mosaics from Madaba and Jerash (4th to 18th centuries). The Roman Theatre. Amman. Opening hours: 9:00 a.m. - 5 p.m. Year-round. Tel. 51760.
Jordan Archaeological Museum: Has an excellent collection of the antiquities of Jordan. Jabal Al Qal'a (Citadel Hill). Opening hours: 9:00 a.m. - 5:00 p.m. (Fridays and official holidays 10:00 a.m. 4:00 p.m.). Closed Tuesdays.

Jordan National Gallery: Contains a collection of paintings, ceramics, and sculpture by contemporary Islamic artists from most of the Muslim countries; a collection of paintings by 19th Century orientalist artists. Mountzab, Jabal Luvaidah. Opening hours: 10:00 a.m. 1:30 p.m. and 3:30 p.m. - 6:00 p.m. Closed Tuesdays. Tel. 30128.

Memorial Museum: Collection of military memorabilia dating from the Arab Revolt of 1916. Sports City, Amman. Opening hours 9 a.m.-4 p.m. Closed Saturdays. Tel. 664240.

Popular Life of Jordan Museum: 100 to 150 year old items such as costumes, weapons, musical instruments, etc. Opening hours: 9:00 a.m. - 5:00 p.m. Closed Tuesdays. Tel. 37169.

SERVICE CLUBS

Home Amman Club: Meetings every first and third Wednesday at the International Hotel, 1:30 p.m.
Lions Club: Meetings every second and fourth Wednesday at the Grand Palace Hotel, 1:30 p.m.
Philadelphian Rotary Club: Meetings every Wednesday at the Holiday Inn, 1:30 p.m.
Rotary Club: Meetings every Tuesday at the International Hotel, 2:00 p.m.
Royal Automobile Club: Jabal Amman, Eighth Circle. Tel. 815261.

CHURCHES

St. Joseph Church (Roman Catholic) Jabal Amman, tel. 24590.
Church of the Annunciation (Roman Catholic) Jabal Luvaidah, 37440.
De la Salle Church (Roman Catholic) Jabal Hussein, 661757.
Church of the Ascension (Greek Orthodox) Abdali, 23541.
Anglican Church (Church of the Redeemer) Jabal Amman, 43453.
Armenian Catholic Church Ashrafieh, 71331.

Armenian Orthodox Church Ashrafieh, 75261.
St. Ephraim Church (Syrian Orthodox) Ashrafieh, 71751.
Armenian International Church (Inter-denominational): street at Southern Baptist School in Shamsiah, 663249.

PRAYER TIMES

05:53 Fajr
05:18 (Sunrise) Shaur
11:33 Dhuhur
15:06 'Asr
17:46 Maghrib
19:13 'Isha

FOR THE TRAVELLER

AMMAN AIRPORT

This information is supplied by Alfa Information Department at Amman Airport tel. 92205-6, where it should always be verified.

ARRIVALS

05:00 Dar-es-Salam (BA)
07:15 Cairo (EA)
08:05 Agaba (RJ)
09:00 Cairo (RJ)
09:50 Jeddah (RJ)
09:40 Doha (RJ)
09:45 Kuwait (RJ)
10:00 Dubai, Abu Dhabi (RJ)
10:40 Doha, Riyadh (SV)
12:30 Kuwait (KAC)
15:30 Jeddah (SV)
16:30 Madrid (RJ)
16:45 Agaba (RJ)
17:00 Cairo (RJ)
17:00 Athens (RJ)
17:15 New York, Vienna (RJ)
17:30 London, Paris (RJ)
18:00 Cairo (RJ)
18:05 Paris (AF)
18:15 Zurich, Geneva (SR)
19:00 Casablanca (RJ)
19:30 Rome (RJ)
19:50 Frankfurt (LH)
20:20 Cairo (EA)
22:30 Baghdad (RJ)
24:00 Cairo (EA)
06:30 Baghdad (RJ)
01:00 Cairo (RJ)

DEPARTURES

05:00 Cairo (RJ)
05:15 Damascus, Frankfurt (LH)
07:00 Agaba (RJ)
07:00 London (BA)
09:00 Rome (Alitalia) (RJ)
09:00 Cairo (EA)
10:30 Rome (RJ)
11:00 Amsterdam, New York (RJ)
11:15 Athens (RJ)
11:30 Cairo (RJ)
12:00 Istanbul, London (RJ)
12:30 Riyadh, Doha (SV)
15:00 Agaba (RJ)
16:30 Jeddah (SV)
17:00 Kuwait (KAC)
18:30 Baghdad (RJ)

18:45 Beirut, Larnaca (RJ)

19:00 Kuwait (RJ)
19:05 Kuwait (RJ)
19:15 Doha (RJ)
19:30 Jeddah (RJ)
19:40 Bahrain, Doha (RJ)
19:50 Abu Dhabi (RJ)
20:00 Baghdad (RJ)
20:15 Bangkok (RJ)
21:15 Dubai, Muscat (RJ)
21:30 Cairo (EA)
01:15 Cairo (EA)

MONEY EXCHANGE

Local selling rates in J.S.
Belgian franc 74.8/ 75.2
Dutch guilder 131.3/ 132.1
Egyptian piastre 365/ 372.5
French franc 50.5/ 50.8
Iraqi dinar 631.6/ 639.1
Italian lire (for 100) 25.5/ 25.7
Japanese yen (for 100) 136.3/ 137.1
Kuwaiti dinar 1227/ 1235.8
Lebanese lira 75.7/ 76.5
Omani rial 1035/ 1041.6
Qatari riyal 98.3/ 98.8
Saudi riyal 104.2/ 104.6
Swedish crown 57.5/ 57.8
Swiss franc 167.5/ 168.5
Syrian lira 61.3/ 61.8
UAE dirham 97.7/ 98.1
U.K. sterling pound 61.3/ 61.6
U.S. dollar 358.5/ 360.5
W. German mark 142.8/ 143.7

WEATHER

Bulletin supplied by the Department of Meteorology.

Seasonal weather with northwesterly moderate wind. In Agaba northerly moderate wind and calm seas.
Lowhigh temperature in deg.C.
Amman 16/30
Agaba 24/36
Daham 16/35
Jordan Valley 24/36

Yesterday's high temperature readings:
Amman 31, Agaba 35. Humidity readings: Amman 40 per cent, Agaba 37 per cent.

USEFUL TELEPHONE NOS.

EMERGENCIES

Ambulance 193, 75111
Fire, fire, police 199
Blood bank 75121
Civil Defence rescue 661111
Fire headquarters 22000
Police rescue 192, 2111, 37777
Police headquarters 39141
Traffic police 56390-1
Electric Power Co. 36381-2
Municipal water service 71125-8

HOSPITALS

Hassan Medical Centre 813813-32
Khaldun Maternity, J. Amman 44281
Al-Khaldun Maternity, J. Amman 42441
Jabal Amman Maternity 42362
Malheur, J. Amman 36140
Palestine, Shamsiah 664171-4
University Hospital 255845
Dar Al-Shifa, J. Hussein 667159
Al-Munir, J. Hussein

NEWS IN BRIEF

Ministry to help town libraries

AMMAN (Petra) — Minister of Municipal and Rural Affairs and the Environment Hassan Al Momani is offering nine municipalities in the country JD 8,100 to help them establish their own libraries. Irbid Municipality will receive the lion's share, JD 1,100, which is to be used in establishing a children's library. Other recipients will be Salt, Zarqa, Karak, Aqaba, northern Shuneh, Mafrq, Wadi Seer and Jerash.

JLA to participate in book exhibit

AMMAN (Petra) — The Jordan Libraries Association (JLA) will take part in the eighth Arab book exhibition which will open in Kuwait on Oct. 3, according to JLA President Anwar Akroush. He said the JLA will display its publications during 1981 and 1982 which will include, among other things, Jordan's National Bibliography and the Palestinian Bibliography. Taking part in the 10-day exhibition will be various Arab cultural organisations in addition to Arab publishing houses.

English course opens at university

AMMAN (Petra) — A two-week English language course for specific purposes opened at the University of Jordan Saturday. Altogether 30 participants from the University of Jordan, Yarmouk University, the Ministry of Education and the Armed Forces are attending the course that should make them eligible for senior studies in foreign countries.

Course opens for Community leaders

AMMAN (Petra) — The first course on promoting the work of local community leaders opened at the Nazza Social Community Centre here Saturday. Taking part in the 10-day course are local men and women leaders of the local community who will be oriented on methods for improving their skills for planning and implementing development programmes in their region. Altogether, 35 participants are attending the course which had been organised in cooperation with the Princess Rahmah Community Centre at Allan, near Salt.

Haj medical team leaves for S. Arabia

AMMAN (Petra) — A Jordanian medical team left for Saudi Arabia Saturday to offer medical services to Muslims performing pilgrimage to Mecca and Medina.

The team comprising 50 doctors, nurses and other officials are provided with sufficient quantities of medicines, ambulances and other medical equipment. The team was seen off by Health Minister Zuhair Malhas and senior Health Ministry officials.

Meanwhile, the first group of Turkish Muslims crossing into Jordan from Syria arrived at Ramtha border post Saturday on their way to Saudi Arabia.

According to Ramtha District Governor Mahmoud Al Sari a total of 37,000 Turkish pilgrims will be arriving at Ramtha over the coming few days on their way to Saudi Arabia. The Turkish pilgrims are accompanied by a medical team and Turkish government officials.

Muslim pilgrims from territories occupied by Israel since 1948 will start arriving at South Shuneh in the Jordan Valley on Monday, according to Ministry of Awqaf Under-Secretary Abdul Salam Al 'Abadi.

Dr. 'Abadi said the first group of these pilgrims, about 2000, will be transported by public transport buses to the Holy Places in Saudi Arabia. Arrangements have been made with the Saudi government for providing these pilgrims with proper housing facilities during their stay in Mecca, and they will be housed in tents while visiting Mina and Arafat holy sites during the pilgrimage, he said.



Nearly one-third of the population went back to school Saturday after the summer vacation. Girl students line up (above) at the Na'ela Bint

Othman elementary school in Jabal Al Nasser before going to classes on Saturday.

Not enough teachers, inadequate school buildings, minister complains

AMMAN (Petra) — Minister of Education Sa'id Al Tal complained Saturday of the shortage of teachers in some specialisations and attributed the shortage to the fact that teachers prefer to take up other better-paid jobs. This trend creates problems and difficulties for the ministry's schools, he said Saturday at a press conference marking the start of the 1982/83 scholastic year.

The minister said that at present there are more qualified women teachers than men, which necessitated that women teachers be assigned the task of teaching mixed elementary classes.

But, despite the shortage in certain fields, the ministry will continue to second some teachers to neighbouring Arab states where the Jordanian teacher enjoys special

respect, the minister said. "This is a national Jordanian policy towards sister Arab nations," Dr. Tal added.

The minister also complained of the inadequacy of the school buildings especially in cities because they lack the proper facilities. But, he said, the ministry's five-year plan provides for projects designed to improve the conditions of school with financial help from the World Bank.

The minister called on local municipal and village authorities to contribute towards the cost of school buildings. At his press conference, held at the Comprehensive School for Girls here, Minister Tal said that nearly one-third of the Jordanian population is going to school this year, and called on all citizens for moral and

material support to help offer good education for the young generations. Of the 824,000 male and female students who went to school Saturday 81,650 are in the first elementary class, and the country now has 32,300 teachers employed in private and government schools, the minister said.

To offer equal educational opportunities to all students, the ministry is not planning to reintroduce the general preparatory examinations, the minister said. He referred to the delay in re-opening schools this year. "This step was taken to unify the dates for opening and closing all educational institutions in the country, and was adopted after due consideration and consultation with all concerned parties," the minister explained.

Hassan opens seminar on Afro-Arab relations

AMMAN (Petra) — His Royal Highness Crown Prince Hassan, the Regent, opened Saturday a three-day seminar on Afro-Arab cooperation at the Royal Scientific Society (RSS).

In a speech to an audience of Jordanian officials and a group of Arab and Western intellectuals, Prince Hassan emphasised the need for coordination and cooperation among Arab and African countries, particularly those lying on the Red Sea in view of its strategic and economic importance.

Referring to the current Middle East situation, Prince Hassan said that "the region is in grave danger due to Israel's expansionist designs and also due to the Iranian and Ethiopian aggression on the Arab Nation."

Participants in the seminar will discuss several working papers dealing with scopes of Afro-Arab cooperation in economic, political and social fields.

Electricity reaches half of rural population, JEA says

AMMAN (Petra) — Nearly half the inhabitants of Jordan's rural areas now have electricity supplied at their homes, according to the Jordan Electricity Authority (JEA).

JEA says 460,000 people live in villages that had been electrified by the end of 1981.

According to a JEA spokesman, electricity was supplied to 49 villages inhabited by

100,000 people in 1981. Of these, 32 villages were in the Karak and Jordan Valley regions and the rest in Amman Governorate and villages surrounding Irbid in the north of the country, he said.

The JEA has plans for electrifying 328 villages around the country by the end of 1985 when almost 90 percent of the rural regions will have been electrified, the spokesman said.

Restco plans to build 300-room hotel in Aqaba

AMMAN (Petra) — The Jordan Hotels and Resthouses Corporation, Restco, will be establishing a four-star 300-room hotel in Aqaba between now and 1985, according to Restco Director General Farid Hikat.

He said that the project is expected to cost JD 7.5 million.

Restco's five-year plan also includes a 150-room hotel at Sweimeh in the Jordan Valley which

will be of a four-star rating, to be built at the cost of JD 3.5 million, he said.

Also, there will be a 50-room hotel at Dibbin National Park near Jerash and a 150-room hotel at Ajloun with a total cost of JD 4.3 million, Mr. Hikat added. He said Restco which strives to offer the best facilities for tourists is now encouraging the private sector to join in implementing tourist projects in the country.

Tennis Open Tournament ends

AMMAN (J.T.) — The Jordan Tennis Open Tournament, organised by the Jordan Tennis Federation (JTF), in cooperation with the Royal Automobile Club (RAC) and the Marriott Hotel, ended on Friday. The finals were played under the patronage of Princess Alia while tennis courts of the RAC were congested with tennis players and crowds.

The results of the tournament were declared as follows:

In the men's singles category Peter Abraziski won first place while Rana Najem ranked in the first place of the women's singles category. In men's doubles, brothers Abdullah and Tawfik Al Khalil won first place and Suzan Twitchell and Margot Bell won first place of the women's doubles.

In the mixed doubles Larry Taylor and Suzan Twitchell won first place.

Princess Alia handed trophies to the winners and received a shield presented to His Majesty the King from the JTF in recognition of his efforts to develop the game in Jordan.

According to Mr. Nasser Mirza, a member of the JTF, the tournament was the second of its kind in Jordan, where 140 players took part. The JTF is trying to popularise the game through increasing the number of tennis courts to be used by both Jordanian sports club members and the public to promote the game at the national and international levels, Mr. Mirza said.

Seminar opens on teaching medicine

AMMAN (Petra) — A two-week seminar on the teaching of medicine opened at the University of Jordan Saturday. Taking part in the seminar are teachers from the university's faculties of medicine, pharmacy and nursing as well as representatives of the Ministry of Health and the Armed Forces Royal Medical Services.

The seminar is designed to increase the effectiveness of the teaching of medical subjects and improve methods used in the teaching of health sciences.

Speaking at the opening session was the University's Vice-President for Medical Affairs Dr. Abdul Wahhab Al Borollosi, who made a speech outlining the importance of such seminars.

Also addressing the participants was Dr. Abdul Latif Al Badri, who said that the seminar should augment the experiences of the teaching staff and help them apply modern technological methods in teaching.

An expert from the World Health Organisation (WHO), which is organising the seminar and Dr. Qandil Shaker from the university's Faculty of Medicine are supervisors of the seminar.



Income Tax Department Director General Abdullah Nsour (left) and University of Jordan Vice-President Rashid Al Diqr sign the training agreement Saturday (Petra photo)

University to help train Income Tax employees

AMMAN (Petra) — The University of Jordan's Technical Studies and Services Centre will help the Income Tax Department (ITD) to develop its self-training programme for its employees, in accordance with an agreement signed between the two sides here Saturday.

The agreement was signed at the University of Jordan by its Vice-President Rashid Al Diqr and the ITD Director General

Abdullah Nsour.

Under the six-month agreement, the centre will provide the ITD with a microcomputer and expertise for employing it in the programme.

The ITD is currently in the process of promoting the skills of its employees and offering them the chance to become computer programmers under close supervision and advice from the centre's specialists, Dr. Nsour said.

Greek TV team due Monday

AMMAN (Petra) — A team from Greek Television is due here on Monday to film a programme on Jordan. The programme will be shown to Jordanian viewers on Sept. 22.

Falcons aerobatic team on the air with JTV

AMMAN (J.T.) — Jordan Television's Foreign Channel 6 will air a special half-hour programme starring the Royal Jordanian Falcons on Sunday, Sept. 12, at 8:30 p.m.

The Falcons are a three-man aerobatic flying team, the only one in the world with airline sponsorship. Alia, The Royal Jordanian Airline, formed the group in 1978 to bring the "progressive spirit" of Alia, Jordan and the Arab World, as well as exciting fun, to audiences around the globe.

Since then, the Royal Jordanian Falcons have appeared at aviation events in the Middle East, Europe and the U.K., culminating in a challenging 15 city tour of the USA this summer.

The Falcons were enthusiastically received and attracted a great deal of media attention in the U.S.A. The JTV transmission was filmed by a CBS News affiliate in Ohio at the July 1982 Dayton International Airshow, billed as America's number one aviation event.

Sunday's programme includes interviews with the pilots and Alia executives, some history of Jordan, Alia and the Falcons, as well as superb footage of the Royal Jordanian Falcons executing daring stunts.

Their skill and the film's creative presentation promise a half-hour full of pleasure for Jordanians and foreign residents alike, a spokesman for Alia said here Saturday.

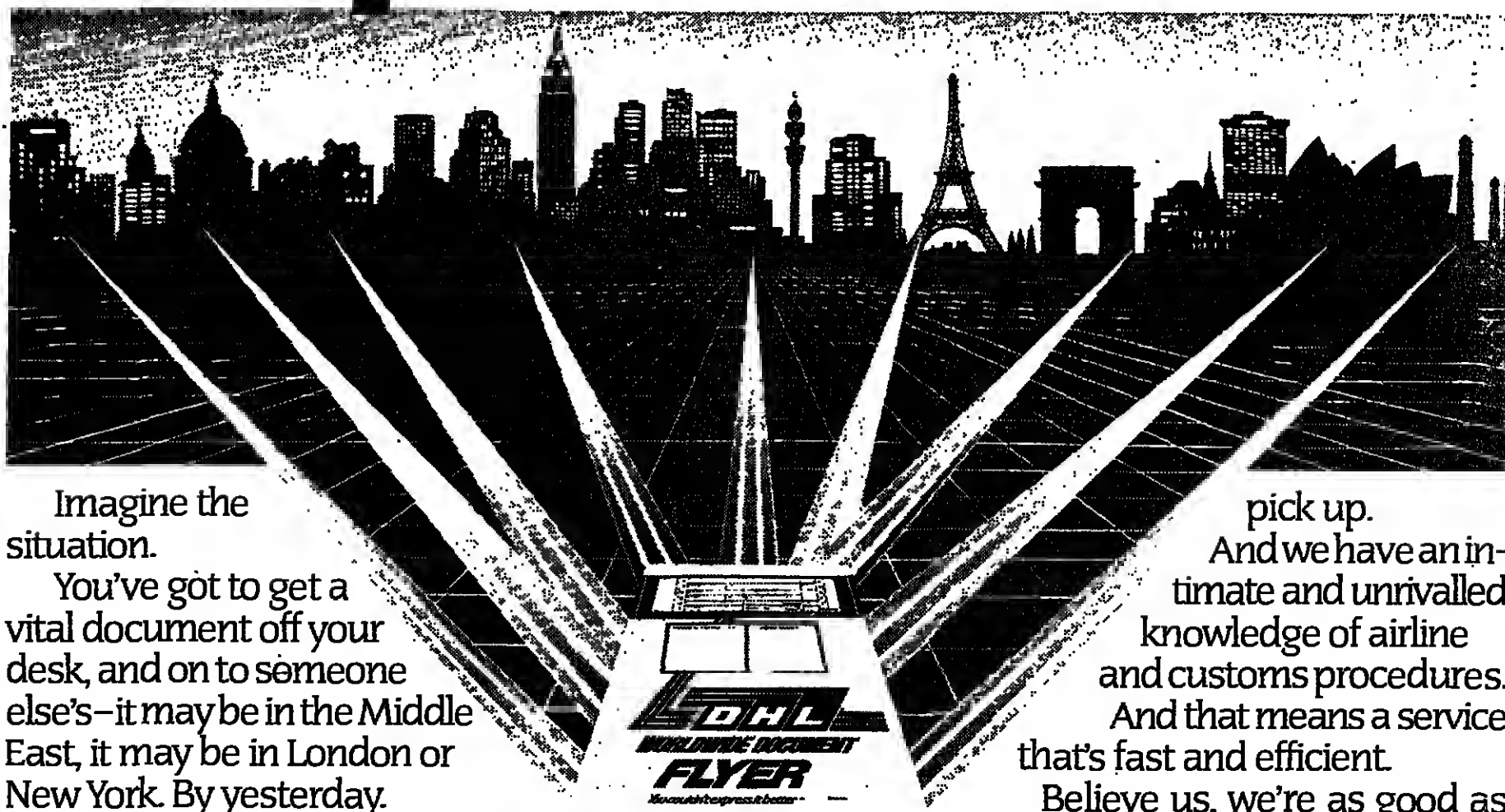
FOR SALE

Indesit dishwasher, in excellent condition; plus other household items, including plants and glassware.

Contact Tel: 41721.

DHL worldwide.

You couldn't express it better.



Imagine the situation.

You've got to get a vital document off your desk, and on to someone else's—it may be in the Middle East, it may be in London or New York. By yesterday.

Relax, all you have to do is ring DHL, and you couldn't express it better. Because we collect and deliver by hand, desk to desk.

Because we have more than 5,000 people operating out of over 300 fully-manned offices worldwide. And that includes 29 offices in and around the Middle East, ready to call and

pick up. And we have an intimate and unrivalled knowledge of airline and customs procedures. And that means a service that's fast and efficient.

Believe us, we're as good as our word.

Which is why we're the world's most experienced courier network.

Next time you need to send a vital document or package anywhere in the world, call DHL.

For further information telephone Amman 64415 or 67612.

DHL WORLDWIDE COURIER
You couldn't express it better

Jordan Times

Responsible Editor: MOHAMMAD AMAD
 Editor: RANI G. KHOURI
 Managing Editor: GEORGE S. HAWATIER
 Board of Directors: HUDA A. HAMMAU, RAJA ELISA, MOHAMMAD AMAD, HANMOUT AL-KAYED
 Advertising Office: Jordan Press Publications, University Road, P.O. Box 171, Amman, Jordan
 Telephone: 67171-2-3-4
 Telex: 21497 ALRAI JD
 Telegram: JORDTIMES, Amman, Jordan
 The Jordan Times is published daily except on public holidays. Advertising rates are available from the Jordan Times or from the advertising office.

No end in sight for the deep rift in Anglo-Irish relations

By Brian Cathcart
 Reuters

DUBLIN — Anglo-Irish relations, never very warm at the best of times, have grown so chilly recently that a British minister has frankly admitted they are "pretty awful."

The sharp frost has come less than two years after the prime ministers of the two countries, meeting in London, announced proudly they had put the fragile Anglo-Irish relationship on a new, firm and friendly footing.

Since then it has seemed that the two sides have clashed at every opportunity. In Britain particularly, ill-feeling has spread beyond the government to the public at large.

Feelings between the former imperial power and its one-time colony have never been neighbourly, with Northern Ireland a habitual bone of contention.

But fresh disagreements over the British-ruled province, a row over the Falklands, disputes in the European community and Irish guerrilla bombings in London have added new bitterness in recent months.

Now even the polite language of diplomacy cannot conceal a deep rift, most evident in the breakdown of contact at the top.

At their London meeting in 1980, British Prime Minister Margaret Thatcher and Irish Prime Minister Charles Haughey agreed on regular six-monthly talks. But it is now 10 months since the last Anglo-Irish meeting and both sides say there are no plans for talks.

Relations were cool even before the Falklands conflict earlier this year, mainly because of differences over Mrs. Thatcher's tough stand against republican hunger strikers in Northern Ireland prisons.

The facts, aimed at winning political status for republicans jailed because of their violent campaign to end British rule in the province, sparked fresh violence there and heightened political tension here.

The short-lived coalition of Garret Fitzgerald, from which Mr. Haughey won back power in March, charged Mrs. Thatcher with intransigence.

When the hunger strike collapsed the coalition's deputy leader, Michael O'Leary, remarked that any other British Prime Minister could have ended the crisis earlier.

But it was the republic's neutral stance on the Falklands which most angered London and shocked a British public fired with emotion by the conflict with Argentina.

The Dublin government was one of the first to condemn Argentina's seizure of the islands in April and joined in the first European community sanctions against Buenos Aires.

Stab in the back

But as the cold war over the islands turned to fighting, Mr. Haughey's government pulled out of sanctions saying Ireland supported economic measures only in an atmosphere of peace.

The British press condemned the Haughey move as a stab in the back while the Thatcher government branded it unhelpful and a mistake.

The row coincided with a confrontation in the European community over Mrs. Thatcher's budget reform plans which again put the two countries at loggerheads.

The mood soured even further in July, when two bombs planted by the Irish Republican Army (IRA) killed 11 soldiers as they carried out ceremonial duties in London.

As right-wing parliamentarians suggested withdrawing voting rights from the Irish community in Britain, the London Times, reviewing the train of recent events, concluded: "These things have brought Anglo-Irish relations and mutual regard to a low point."

The wounds left by the Falklands row and the London bombs are likely to heal in time. The same may not be true of those caused by differences over Northern Ireland.

It was no accident that it was Jim Prior, the British minister responsible for troubled Northern Ireland, who labelled the present state of relations as "pretty awful."

Mr. Prior has called elections in the province next month to a parliamentary assembly aimed at seeking agreement between Catholics and Protestants on a new form of local government.

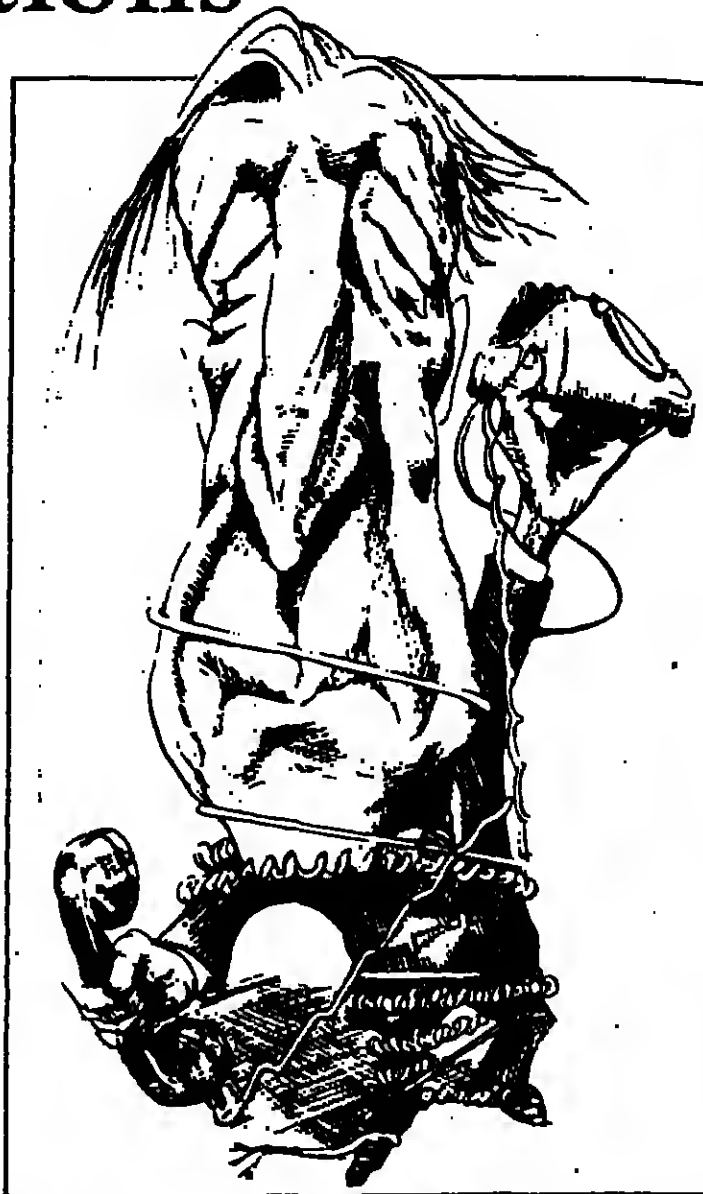
To Mr. Prior's irritation, his initiative is opposed by Mr. Haughey. One official on Mr. Prior's staff told Reuters: "Dublin's attitude has been utterly unhelpful."

A senior Haughey aide here struck a similar note, saying: "In failing to consult us about this initiative the London government is guilty of a clear breach of faith."

Mr. Haughey's view is that the problems of Northern Ireland, where more than 2,200 people have died in 13 years of violence, cannot be resolved in the province but must be dealt with in broader discussions involving both Dublin and London.

His foreign minister, Gerald Collins, charged recently that Mrs. Thatcher had accepted this view in the 1980 talks but failed to stand by it.

London's reaction was sharp. Deputy Foreign Minister Douglas Hurd told the Irish ambassador that in Britain's view, the 1980 agreements involved no British



undertaking to consult the Dublin government about Northern Ireland policy.

The exchange served only to deepen the rift and, as the elections in Northern Ireland approach, there seems little prospect of an early improvement.

One glimmer of hope seemed to come from Mr. Prior as he dis-

cussed Anglo-Irish relations in a recent television interview. He likened them to a yo-yo, moving quickly from good to bad and back again, and concluded:

"It is very important that, despite our differences—and there are some very real differences—we should seek to have good relations with the republic."

A useful link

THE ARAB leaders who gathered at Fez have done well to institute a link between the Arab peace plan announced at Fez and the recent initiative of United States President Ronald Reagan. It has always been a contention of American and some other Western leaders that the Arabs have never put their own peace proposals on the table. While that is not strictly accurate, as Arab peace-making principles have been ratified by previous Arab summits, the new Arab peace plan nevertheless provides a focus for pan-Arab peace-making impulses that is more clear than anything that has come before it.

There are wide gaps between the Arab plan and the Reagan principles, in substance and in approach. The Arab plan is more clear in its vision of a final peace agreement between Israel, on the one hand, and the Palestinians and the existing Arab states, on the other.

Mr. Reagan does not attempt to spell out the shape of a final peace accord, on the assumption that it is up to the parties involved to do that. He prefers simply to clarify some American positions on key principles. Thus, while his approach suggests some of the elements of a possible peace accord, such as Arab sovereignty in the West Bank and Gaza, it leaves the details to be negotiated by the parties themselves.

The link between the Arab and Reagan initiatives strikes us as important and useful. It indicates to the Americans that we are interested in entering a dialogue for peace based on elements of both the Reagan and Arab plans. It provides the Americans — still the key third party — with a rather awesome counterpart for dialogue in the 22 Arab states who have approved the Fez declaration, including the PLO. And it should help nudge the Israelis towards a more realistic realization that if peace is ever to come to the area, it should do so on the basis of these principles now under discussion.

Under all circumstances, Arab reality remains a decisive factor in manipulating a favourable international response to their plan. Arab conditions are the only element that renders the process of turning attitudes into realities possible, views into practices tangible.

The need for building a strong and integrated Arab position, undaunted by mass media campaigns, based on genuine solidarity, presents itself after Fez. It is evidently a prerequisite for a successful propagation and advancement of the Arab peace plan.

We find it imperative to warn again the Arab political and diplomatic efforts should in no way be diverted from the necessary readiness to confront all possible Israeli moves. Israel has systematically escaped peace offensives for the area through instigating new hostilities.

Begin's speech at the Knesset and his response to U.S. proposals only express Israel's insistence on continued occupation of the Arab territories, allegedly referred to as Israel's "liberated lands."

Deep commitment to Arab solidarity, while presenting their comprehensive peace plan to the world, is a must. All national efforts should be allowed to take part in the political, economic and military build-up needed to face changing realities, particularly when facing a fanatic and systematically aggressive enemy.

JORDAN'S ARABIC PRESS EDITORIALS

Al Ra'i: Israel knows how to evade peace

Israel's rejection of the Arab peace plan is characteristic of its policies of jeopardising all peace efforts for the Middle East and increasing tensions in the area to serve its expansionist plans.

The Israeli negative attitude towards the Arab peace plan stands against a panorama of positive international reaction to the Arab proposals. European officials expressed great sympathy; Americans, while giving preference to President Reagan's initiative, did not criticise it.

On the other hand, the top-level Arab delegation formed by the Fez summit to convey Arab proposals to the five permanent member-states in the U.N. Security Council will certainly sound out their real attitudes towards the proposals, and the extent of their readiness to exert international pressure on Israel to guarantee a timely progress towards peace in the area.

The Arab-American dialogue on the Fez plan will certainly take special efforts. Nevertheless, it will open wide avenues for properly introducing the Palestinian question to broad strata of the

Arab plan

demands genuine concern from all involved parties. The Arabs have expressed willingness to abide by U.N. decisions and preserve world peace. It is Israel that invariably insists on aggressive policies, occupation of Arab territories and expansion. To Israel, peace must be achieved according to its will, not what is to be agreed upon. Hence the Israeli rejection of President Reagan's initiative, as this contradicts with Israel's intentions to annex the West Bank and Gaza officially, having done that practically.

Begin's speech at the Knesset and his response to U.S. proposals only express Israel's insistence on continued occupation of the Arab territories, allegedly referred to as Israel's "liberated lands."

Deep commitment to Arab solidarity, while presenting their comprehensive peace plan to the world, is a must. All national efforts should be allowed to take part in the political, economic and military build-up needed to face changing realities, particularly when facing a fanatic and systematically aggressive enemy.

Al Dustour: New outlook helps

The Fez summit has achieved its goals. Not only the summit's decisions, but also the very participation of all Arab countries, regardless of the Libyan abstention and the Egyptian absence, testifies to it.

The healthy atmosphere that characterised the summit meetings enables us to say that a deep sense of responsibility and preoccupation with the public good have contributed a lot to its success and enabled the Arabs to present themselves to the world in a new light.

The efforts made for normalising inter-Arab relations have played a major role in facilitating the finalisation of an integrated Arab peace plan for our highly inflammable area.

Several international forces have often expressed inability to partake in any peace effort, due to inconsistencies in the Arab stand. Fez has defused all such arguments. A comprehensive Arab perspective, based on international legitimacy and U.N. decisions, has been formalised.

Nevertheless, the realisation of a comprehensive and durable peace in the area initially

Controversial issues in Swedish elections

By Helen Womack
 Reuters

STOCKHOLM — Swedish opposition Social Democratic leader Olof Palme is fighting for his political survival in an increasingly tense campaign for general elections on September 19.

The eloquent 55-year-old former prime minister has been widely tipped for months to lead his party back to power in place of a weak minority Centre-Left coalition government.

But the Social Democrats' main election platform to establish a compulsory savings and investment scheme for workers and firms is proving so unpopular with voters that Mr. Palme's victory is now by no means certain.

Political commentators said the election could be very close.

Ironically, Mr. Palme is known to have personally opposed the controversial plan, which is emerging as the only significant election talking point.

But he and right-wing Social Democrats are committed to it by a party congress decision and a vote of the affiliated trades union confederation (LO).

"He's stuck with it and now he's got to defend it," said one Swedish voter dryly.

Having led the Social Democrats to general election defeats in 1976 and 1979, Mr. Palme would probably not survive as party boss if they did badly again, political analysts said.

The possibility of his defeat also raises the once remote prospect of

Worried about unemployment

They are worried about the unemployment rate, which is only three per cent nationally but rises to 15 per cent in some northern towns such as the iron ore mining community of Kiruna beyond the Arctic circle.

They also say serious youth unemployment is disguised because school leavers are placed in government training and work creation schemes without proper job prospects.

The funds would secure investment and protect employment as well as making industry more democratic, according to supporters of the scheme.

Almost all other sectors of Swe-

disb society are against the funds as a way of reviving the economy from its long torpor.

Sweden's lack of competitiveness and need for investment were underlined by the Paris-based Organisation for Economic Cooperation and Development (OECD) in a recent report.

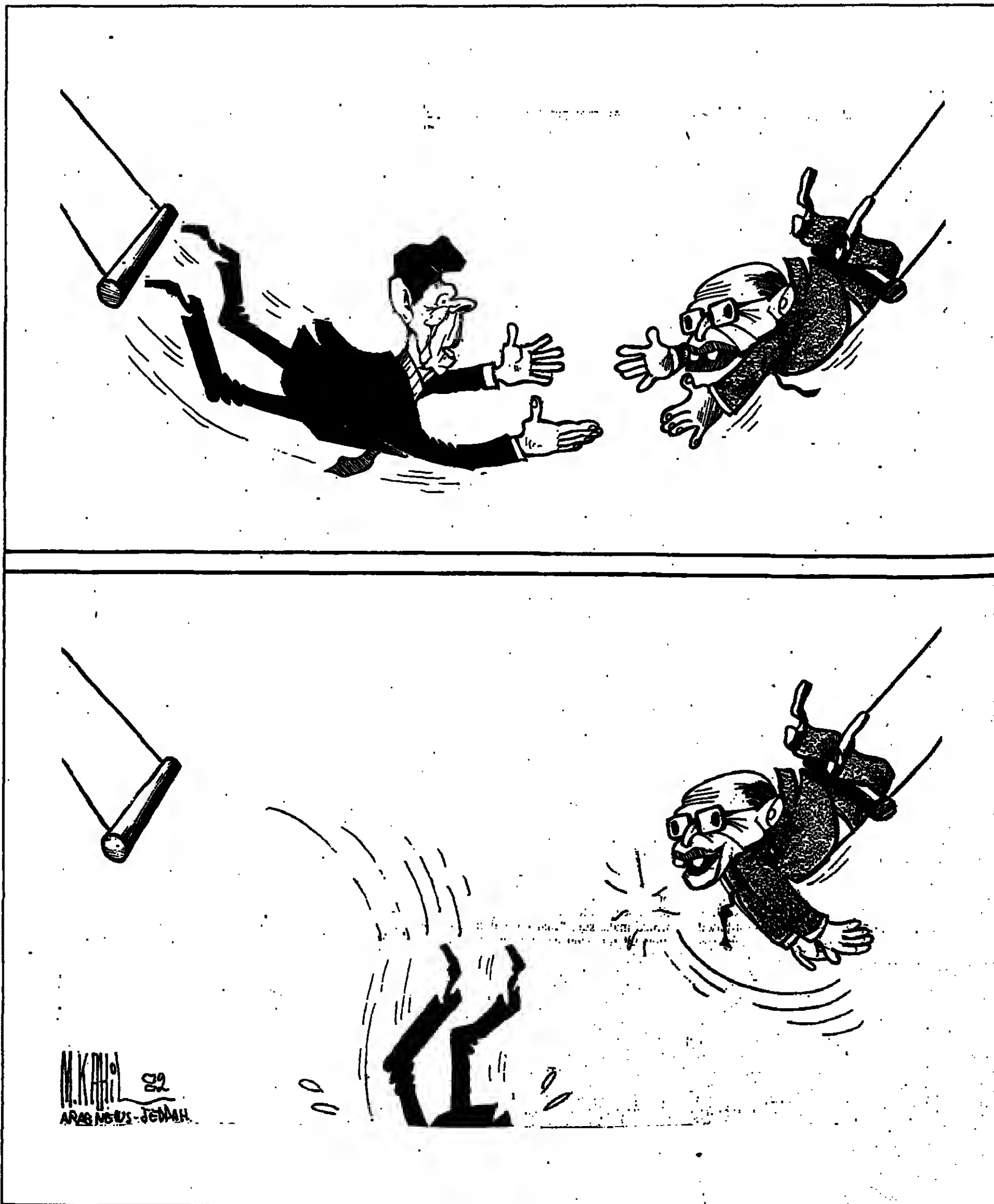
The Communists want an even more radical funds scheme while the governing Centrists and Liberals, opposition Conservatives, employer organisations and some dissident Social Democrats all warn of "fund socialism."

The plan would change the ownership pattern of Swedish industry and tilt the balance of political power towards the trade unions, they say.

The Conservatives left a coalition with the Centrists and Liberals in 1981 because they disagreed with their partners over the extent of planned tax cuts. The tax policies of the three parties have not changed much since.

The defection left Swedish politics paralysed and Centrist Prime Minister Thorbjörn Fälldin dependent on Conservative support in every parliamentary vote for a majority of one over the Social Democrats and Communists in the 349-seat chamber.

The two governing parties, with their roots in aging rural communities, are in decline as a two-party system based on the urban Social Democrats and Conservative is emerging, political commentators added.



Japanese concern over growing militaristic revival

By Ikko Anai
Reuter

TOKYO—As Japan agonised for the 37th year over the atom-bombing of Hiroshima and Nagasaki, a debate over whether the country is experiencing a revival of militarism has been gathering momentum.

About 40,000 people gathered in Hiroshima last month for the 37th anniversary of the U.S. bombing at the close of World War II and expressed anger at continued U.S. nuclear tests.

But at the same time its people were forcefully reminded of the suffering their own forebears inflicted on Japan's neighbours before and during World War II.

Critics at home and abroad seized on changes in school history textbooks brushing over Japanese war atrocities and increased def-

ence spending by the government as signs of a new surge of militarism.

"We need to reflect whether we have forgotten the sufferings we caused others during the war," said the mass-circulation Yomiuri Shimbun in an editorial on the textbooks row.

"Such reflection will enable us to continue building a nation dedicated to peace."

As if the textbook issue were enough, a private group of Japanese citizens this week began looking for the remains of thousands of Koreans massacred by Japanese troops and vigilantes in the aftermath of the great 1923 Tokyo earthquake.

The group says it wants to give a decent burial to the Koreans who had been buried in makeshift graves after the frenzied killings following rumours that they had poi-

soned water supplies and planned an uprising.

Most of those killed were labourers brought to work in Tokyo by their Japanese colonial masters.

In South Korea, memorial services were held for the victims for the first time this year and an 82-year-old witness to the killings collapsed and died while speaking about it in Seoul.

In Japan itself, the argument about militarism is not new and is just another manifestation of the traditional ideological tussle between left and right which has been a feature of public debate on major issues in the post-war years.

The issue what schoolchildren should read has been a point of conflict between the conservative ruling Liberal Democratic Party (LDP) and the teachers union affiliated to the Socialist Party.

Critics at home and abroad seized on changes in school history textbooks brushing over Japanese war atrocities and increased defence spending by the government as signs of a new surge of militarism.

According to Emeritus Prof. Taro Sakamoto of Tokyo University who heads the 8,000-member Institute of Japanese History, the government has concentrated on ridding Japanese textbooks of what it saw as left-wing ideological prejudice.

"Japan's aggression in China is an indisputable historical fact," Prof. Sakamoto said. But he added that when scholars write history, they should remain neutral.

"Textbooks were influenced by the right during the war and by the

left in the post-war years. I welcome the recent trend of neutrality," he said.

The political left in Japan has also been a vociferous critic of Japan's defence relationship with the United States, though it is no longer the catalyst for violent clashes between leftists and the police as it was in the 1960s.

The left has also long decried the existence of the 240,000 strong self-defence force, so named to skirt Japan's post-war constitution which renounces war and bans armed forces.

But a recent opinion poll sponsored by the office of Prime Minister Zenko Suzuki showed that 82 per cent of the people support the existence of the force.

Japan, under pressure from the U.S. to take a greater share of the burden for its defence, recently decided to spend 4,600 billion yen (\$18 billion over the next five years) to boost its defence capability.

Any assessment of the current attitudes of the Japanese people to their militaristic past is coloured by the fact that 59 per cent of the nation's 117 million people were born after World War II.

"There are more and more post-war generations who have no direct memory of the war. Therefore it is more important to give peace education to those people," according to Eisho Urasaki, spokesman for the prefectural teacher's union in Okinawa, the

scene of fierce land battles between Japanese and American troops in the closing stages of the war.

However, Mr. Urasaki is critical of the government's prevarication on the question of revising current textbook accounts of the war.

Under pressure from China and South Korea, Tokyo has agreed to amend the history texts by 1985, a timetable rejected by the two countries which suffered most under Japanese rule.

While many people writing to newspapers have expressed deep regret about the wartime atrocities and the textbook changes, the press has also been attacked for drawing attention to the revisions in the first place.

"Though I do not call the (textbook) incident a frame-up it has a strong smell of propaganda. What is more, the instigator is our mass media," Prof. Shoichi Sakai, a

prominent conservative academic, wrote in the Sankai Shimbun.

Sakai Sushiro, head of the Japan war-bereaved families' association, believes that an accurate assessment of Japan's actions in China should be left to future historians and China should not force Japan to describe it as "aggression."

While the textbook issue would appear to have inflicted damage to Japan's diplomatic relations with its near neighbours, there is no evidence that its economic and trading interests have been seriously affected.

And the people most directly concerned, the students, have little time for it. "All I'm concerned with at present is next year's university entrance examination," said Toyokazu Tamura, 17, a student of Tokyo's Johoku High School.

JORDAN MARKETPLACE

RESTAURANTS & BARS

MANDARIN CHINESE RESTAURANT AMMAN AND AQABA

Offer typical Chinese Mandarin cuisines and take away
For quick lunch: 1 soup 1 main dish,
1 rice 1 tea or soft drink JD 2

Fully airconditioned

AMMAN
Tel. 661922 P.O. Box 9676
Wadi Saqra Road,
Near Holiday Inn Hotel.

AQABA
Tel. 4633 P.O. Box 598
Amman Road
Near the Main Circle

AL FARDOUS RESTAURANT

UNDER NEW MANAGEMENT

welcomes you

and invites you to

spend a wonderful

time in its quiet

and heated halls

FRESH FISH DAILY

MIXED CHARCOAL

GRILLS

LEBANESE MEZZA

Map of Al Fardous, Amman, Jordan

Tel. 815000 ext. 113

RESTAURANT TAIWAN TOURISMO

Opp. Akilah Maternity Hospital 3rd Circle, Jabal Amman, Tel. 41093. Try our special "Flaming Pot" fondue or Peking Duck on your next visit. Take-Away orders welcome. Welcome & Thank-You

SPORTS

Little Luton holds mighty Liverpool to a 3-3 draw

LONDON (R) — Little Luton passed the stiffest examination of their English soccer first division credentials when they held mighty Liverpool to a 3-3 draw at Anfield Saturday.

Last season's second division champions rightly received the acclaim of the Liverpool faithful, who saw their favourites knocked off the top spot, for a courageous display.

They lost goalkeeper Jake Findlay, who was carried off with stomach cramp with the score at 1-1, fell behind shortly later then staged an astonishing second half comeback.

Liverpool's stunning set-back allowed Watford, who accompanied Luton from the second division last season, to go to the top on goal difference.

Watford thrashed West Bromwich 3-0 at home to take them to the 12-point mark from five games, the same total as the two Manchester clubs, United and City.

United beat Ipswich, a shadow of the side of recent years, 3-1 at home while City won 2-1 at Tottenham.

Liverpool, who only just salvaged their unbeaten home record which stretches back to before Christmas, slipped to fourth, one point behind the leading trio.

Luton must have feared that they had awoken a sleeping giant when Brian Stein scored against the run of play in the 26th minute

only for Graeme Souness to equalise six minutes later.

Worse was to follow before half-time. Findlay went off in the 40th minute and 60 seconds before the interval fullback Kirk Stephens, who had looked anything but comfortable between the goalposts, was beaten by Ian Rush.

Irish defender Mal Donaghy became goalkeeper number three when he replaced Stephens at the start of the second half, and within 17 minutes Luton were in front. David Moss equalised in the 52nd minute and Stein grabbed his second goal of the game 10 minutes later.

Liverpool, however, are often down but seldom out and South African-born Craig Johnston spared their blushes when he ended the goal-rush 15 minutes from the whistle.

Watford, under the chairmanship of rock singer Elton John, have now climbed from the depths of the fourth division to the top of the first in five seasons.

Luther Blissett hit West Bromwich with a glorious double and Les Taylor took the tally to three.

The private battle in Manchester looks like being one of the highlights of the season.

United went second on goal difference with a classy display against a lethargic Ipswich who now lie second bottom.

Teenage Northern Irish striker Norman Whiteside, a revelation during the World Cup in Spain,

shot them into the lead after just two minutes and although Ipswich equalised in the 36th minute, United moved up a gear after the break.

Mariner's England colleague Steve Coppell put United back in front in the 73rd minute and Whiteside put the result beyond doubt near the end.

Manchester City owed their success at Tottenham to new signing Graham Baker. The former Southampton midfielder scored both goals while Gary Mahhutt gave the Tottenham fans their only moment to savour.

European Champions Aston Villa warmed up for the defence of their title which begins on Wednesday by thrashing Nottingham Forest, European Cup Winners in 1979 and 1980, 4-1.

Forest's day of misery was complete when captain Ian Bowyer was ordered off for a professional foul on Villa skipper Dennis Mortimer in the 68th minute.

The Scottish Premier League may be only two games old but it has already taken on a familiar look with Celtic clear at the top.

But the 1967 European Champions had to fight all the way at St. Mirren after Lex Richardson gave the home team an interval lead.

World Cup star Gordon Strachan, Eric Black, Peter Weir and John Hewitt scored for Aberdeen with John McNeil on target for the visitors.

Moorcroft's hopes of winning 5,000m in Athens crushed

ATHENS (R) — A West German destroyed the hopes of a British world record-holder Saturday for the second time in the European Athletics Championships when Thomas Wessinghage completely outman David Moorcroft in the 5,000 metres final.

In sheeting rain, Moorcroft never looked settled and when Wessinghage hurtled to the front with 300 metres to go, the Briton could only trail behind, beaten in the last few metres into third place by Werner Schildhauer of East Germany.

The winning time of 13 minutes 28.90 seconds was almost half a minute outside Moorcroft's record of 13:00.42 set two months ago in Oslo.

But, like his compatriot Sebastian Coe in the 800 metres on Wednesday, Moorcroft never found the finishing power that had made him more than 12 seconds faster than anyone else in the field this year.

Coe was beaten into second place in his race by Hans-Peter Ferner of West Germany.

Moorcroft led the slow-paced race for long stretches, but sometimes got caught in the pack as several runners went to the front. By contrast, Wessinghage, like the Briton a former 1,500 metres specialist, ran a relaxed race, timing his decisive move to perfection.

The delighted West German raised his arms in triumph as he crossed the line, splashing through trackside puddles as he ran a lap of honour to roars of approval from the crowd.

Schildhauer, who also took silver in the 10,000 metres, finished in 13:03.03 and Moorcroft clocked 13:30.42.

Thomas Munkelt rattled up East Germany's 11th gold medal in the games in the men's 110 metres hurdles, retaining his European title in 13:41 secs.

Andrei Prokofyev of the Soviet Union was second in 13:46 and Finland's Arto Bryggare third in 13:60.

Touching Wood wins St. Leger

DONCASTER, England (R) — American-bred colt Touching Wood, ridden by Paul Cook and owned by Maktoum Al Maktoum, raced to victory in the English St. Leger horse race here Saturday.

Touching Wood, who began the race 7-1 shot, was never far from the leaders and surged to the front two furlongs from home to finish one and a half lengths clear of 40-1 outsider Zilos, with Diamond Shoal in third.

Favourite Electric failed to show in the final classic of the English horseracing season, run over one mile and six furlongs and worth £80,120 (\$144,215) to the winner, and finished last.

Touching Wood, trained by

Tom Jones at Newmarket and wearing blinkers for the first time, followed a blistering early pace by stable companion Muslah, and 10 horses were still in with a chance of winning the race three furlongs out.

But Touching Wood, who finished second to Golden Fleece in this year's Epsom Derby, ran through on the rails and fought off a determined challenge from Zilos, ridden by Geoff Baxter, in the last furlong.

Touching Wood, twice beaten by Electric this year, also set a track record, winning in three minutes 3.53 seconds to break Canteln's best mark set in 1959.

AMERICAN WOMEN OF AMMAN

will hold their first meeting of the season on Monday, September 13

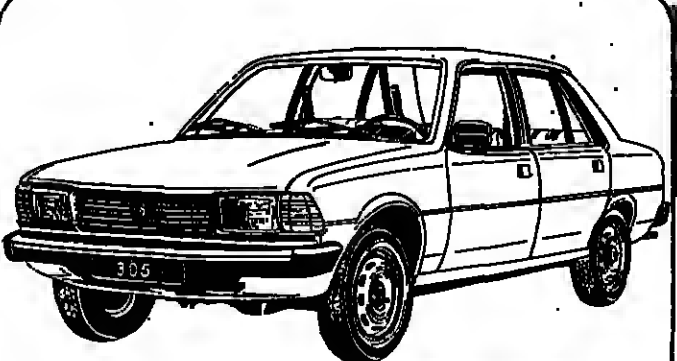
MARRIOTT HOTEL
4:00 - 6:00 p.m.

All Americans and wives of Americans welcome!

FLATS FOR RENT

Two fully furnished flats, each consisting of two bedrooms, salon, dining room, living room with central heating, garden and telephone. Near the Sports City.

Please contact: Tel. 665682, 663678 from 2 p.m. - 6 p.m.



305
PEUGEOT

THE UNITED AUTOMOBILE
TRADING CO. LTD.

King Hussein St., Abdali, Tel. 665732,
P.O. Box 6016.

Amman - Jordan

PEUGEOT

Where Will You Spend EID AL ADHA Holiday...?

Cyprus 8 days	Geneva 9 days	London 7 days
Athens 6 days	Istanbul 9 days	

'MADE TO MEASURE' TOURS

ARRANGED ON REQUEST.

DAKKAK TOURIST & TRAVEL AGENCY

offer you the best services

Shmeisani, Ambassador Hotel, Tel. 665161

Andretti continues his dramatic return to Formula One racing

MONZA, Italy (R) — American Mario Andretti continued his dramatic return to Formula One racing Saturday when he steered his turbo-charged Ferrari to pole position on Sunday's Italian Grand Prix.

The 42-year-old Italian-born Andretti, who is driving a Ferrari for the first time for 10 years in only his second Formula One race this year, clocked the best lap time of one minute 28.473 seconds in the second official practice session.

Andretti, a freelance driver who signed for Ferrari recently after racing for Williams in the U.S. Grand Prix earlier this year, dismissed fears that he would not be able to handle the turbo-charged car's extra power.

He clipped nearly five seconds off last year's best practice time at Monza and bettered his first practice time by three seconds, recording an average speed round the 5.8-km circuit of 236 kph.

His French team-mate Patrick Tambay clocked the third-best time, knocking half a second off his best lap Friday.

Brazilian Nelson Piquet, driving a Brabham, will be second on the grid. He clocked 1:28.500, with Italian team-mate Riccardo Patrese in fourth place.

The two turbo-charged Renaults, driven by Alain Prost and Rene Arnoux of France, are fifth and sixth respectively, with Finland's Keke Rosberg—favourite to win the World Drivers' Championship on the strength of his 11-point lead over Prost—lying seventh in his conventional Williams.

McLaren drivers Niki Lauda of Austria and Briton John Watson slightly improved their times to take 10th and 12th positions on the starting grid.

During unofficial practice this morning, Arnoux collided with a Lotus driven by Italian Elio de Angelis while entering a Chicane, and another Lotus, driven by Britain's Nigel Mansell, later struck the guard rail in another tight Chicane turn. None of the drivers was hurt.

Renault confirmed Saturday that American Eddie Cheever will join Prost in the team next year to

replace Arnoux, who is transferring his allegiance to Ferrari. Alfa Romeo flirted with idea of entering a turbo machine Sunday but quickly abandoned it when the car driven by Italian Andrea de Cesaris broke an air intake on the first lap of official practice Saturday.

Rosberg also ran into trouble when the oil warning light flashed at the start of his fastest run but completed the lap without incident.

Andretti's return was applauded by an enthusiastic crowd of more than 50,000 at Monza, which is regarded as the home test circuit for Ferrari cars.

The Ferrari performance was doubly welcome to Italians in the penultimate Grand Prix of a season marred by the death of their Canadian driver Gilles Villeneuve and the severe injury of Frenchman Didier Pironi.

Organisers said later Jacques Laffite of France would start 22nd on the grid instead of 18th as originally announced because his Talbot was underweight during Saturday's practice.

Lloyd's challenge for U.S. Open, may be final bid for singles title

NEW YORK (R) — Chris Evert Lloyd challenges for what may well be her last women's singles title Saturday when she plays Hana Mandlikova of Czechoslovakia in the women's final of the U.S. Open Tennis Championships.

"It could be my last title. I don't know," the 27-year-old American said after routing fourth-seeded Andrea Jaeger of the United States 6-1, 6-2 Friday to make the final for the seventh time in eight years.

"Time is running out," she added.

The match, a rerun of the 1980 final which Lloyd won in three sets, will follow the first men's semifinal between second-seeded American Jimmy Connors and fourth seed Guillermo Vilas of

Argentina. Top-seeded American John McEnroe, seeking his fourth straight Open crown, faces third seed Ivan Lendl of Czechoslovakia after the women's final.

If Lloyd wins Saturday, she will equal Australian Margaret Court's six U.S. women's titles. Only Americans Molla Mallory, who won eight times, and Helen Wills Moody, who won seven championships, have done better.

Mandlikova, 20, has beaten Lloyd only once, in last year's French Open, and has lost to her seven times. But Lloyd said the Czechoslovakian was a better player than two years ago when she upset last year's champion,

Czechoslovakian-born American Martina Navratilova to make the final.

"I'll have to hit with a lot of depth and play aggressively from the baseline," Lloyd said. "She's tough to play because she's so unpredictable. I think she's concentrated a lot better this tournament than in a long time."

Mandlikova certainly seems to have learned patience. "I think I concentrate more, pass better and for sure play better from the baseline," she said. "I can keep the ball in play."

She will also have to get in her big first serve, as she did so successfully in beating seventh-seeded American Pam Shriver Friday.

Mandlikova said she expected to be far more relaxed against Lloyd than she was two years ago when she won the first set but then dropped the next two.

The rejuvenated Connors, seeking his fourth Open title, has lost only one set in five matches in the tournament. But Vilas, who prefers a slower surface than the asphalt at the U.S. National Tennis Centre, has had to struggle.

FLAT WANTED

A foreigner with one baby requires one or two bedroom unfurnished flat with heating in Jabal Amman.

Contact Mr. Mehta, Tel. 666165, between 7 a.m. to 2 p.m.

FLAT TO LET

Two bedrooms, fourth floor, elevator - nice scenery, tel., fitted carpet and curtains. To be bought by tenant JD 1,500. Annual rent: JD 2,300. Possibility to let if furnished with brand new furniture, rent JD 6,000. Jabal Amman, Fourth Circle.

If interested please call: Tel. 43423 from 9 a.m. - 7 p.m.

A FURNISHED FLAT FOR RENT

Consists of one bedroom, sitting room with garden. Can be rented for a short or long period. With telephone. Situated in Jabal Amman, 3rd Circle.

Tel. 43694

DE LUXE VILLA FOR RENT

Two-floor villa consists of 3 bedrooms, 3 bathrooms, sitting room, dining room, kitchen and entrance room. Centrally heated with telephone, to be let furnished or unfurnished. Also it has garden, garage & basement for children. De luxe furnishing.

Tel. 661080 - 663909

Agent & Distributor
ISTIKLAL LIBRARY CO.
Amman Branch - Tel. 22475
Shmeisani Branch - Tel. 663130
P.O. Box 165
Amman - Jordan

ROYAL JORDANIAN AIR FORCE
INVITATION FOR
PREQUALIFICATION FOR
HOSPITAL DESIGN IN AMMAN
VICINITY

With reference to the announcement published lately in the newspapers for the design of a hospital in Amman vicinity, the date for returning the documents will be Oct. 11 instead of Oct. 2, 1982.

Reagan faces first legislative defeat

WASHINGTON (R) — President Reagan, undaunted by Congress overriding his veto of a major government spending bill, says he will continue rejecting every bill he thinks is excessive.

"They (Congress) better practice at that because they're going to get a chance to do that every time they send an appropriation down that's over budget. I'm going to veto the bill," Mr. Reagan told a political rally in Utah.

In passing the \$14-billion appropriations bill into law in defiance of the veto, Congress dealt the president his first major legislative defeat.

The Senate approved the bill by 60 votes to 30 with 21 of the Senate's 53 Republicans voting against the president, a Republican himself.

The House of Representatives rejected the veto by 301 to 117 on Thursday with 81 Republicans voting against Mr. Reagan.

A two-thirds majority in both houses was needed to pass the bill over the president's veto.

Mr. Reagan said he vetoed the bill because it "would bust the budget" by \$918 million more than he asked for student aid, health projects and other social programs.

But the bill's backers said cuts including more than \$2.1 billion topped from defence spending put the total appropriations \$1.7 billion under budget.

"Budget busting was a very inappropriate label to attach to this bill and it backfired," Republican Senator Mark Hatfield said after voting against the president.

Republican leaders insisted the bill did break the budget. They said the president had accepted the defence cuts only to see huge domestic fund increases put in their place.

The bill, covering spending up to Sept. 30, when the 1982 financial year ends, included \$6.1 billion for federal payrolls and five billion for commodity credit corporation loans.

Congress overrides presidential veto on spending bill and mars personal charisma enjoyed by Reagan

By Noll Lewis
Reuter

HOOPER, Utah — President Reagan, on a travelling campaign for congressional and state government elections later this year, Saturday contemplated the effects of an unexpected and dramatic economic defeat by Congress.

For two days, the president had been planning to interrupt his campaign to announce what he expected would be another victory in his battles with Congress.

At issue were his continuing drive to increase defence spending while cutting funds for social programmes, and a slice of his own political prestige—a popular perception that he is almost unbeatable in showdowns with the lawmakers.

When he and his advisers were first surprised on Thursday by the House of Representatives' overwhelming vote to override, by 301 to 117, his veto of a big spending bill, Mr. Reagan said he put his hope in the Senate.

Unlike the Democratic-controlled House of Representatives, the Senate is dominated by his own Republican Party.

But Friday, when the Senate also overrode his veto 60 to 30, thanks in part to Republican desertions, the president was reduced to standing in a field under rainy skies at a campaign stop and complaining about free-spending congressmen.

NEWS ANALYSIS

At a rally for Utah's Republican Sen. Orrin Hatch, a Reagan ally who faces a serious Democratic challenge in the November elections, Mr. Reagan told a cheering crowd that he would try to "stop the highway robbery in Washington."

He threatened to veto any future bills he regards to be "busting" his federal budget programmes.

The \$14.1 billion spending bill at issue is designed to finance a number of government agencies through the rest of the 1982 financial year ending Sept. 30.

What made this defeat especially galling for Mr. Reagan was that overriding a presidential veto is always a tough task for any Congress, which has to muster two-thirds voting support in both houses to thwart a president's will.

String of victories ends

Moreover, Mr. Reagan had enjoyed an almost unbroken string of victories through his 18 months in office, welding together coalitions of Republican support and conservative Democrats.

Friday, he not only lost that magic touch but saw 21 Republican senators vote against him despite his appeals for loyalty. He even had arranged for Sen. Hatch, the beneficiary of his Utah trip, to go back to Washington for the vote and miss his own rallies in this far Western State.

The president said he had vetoed the bill because it would "bust the budget" by nearly \$1 billion.

That proved to be a difficult statement to defend because the total bill was about \$1 billion, it had reduced his request for defence appropriations by about twice that much.

White House Chief of Staff James Baker had told reporters that Mr. Reagan's budget-busting assertion was legitimate because, after all, he had always pledged to increase defence spending while holding down the cost of other government programmes.

Now, with congressional elections less than two months off and constituents complaining loudly about further social spending cuts, Congress refused to comply. The veto override may indicate that Congress intends to be more assertive and less likely to give Mr. Reagan all he wants for defence at the expense of domestic programmes.

At the very least, some of the president's aura of political invincibility appears to have worn off.

FORECAST FOR SUNDAY, SEPT. 12, 1982

YOUR DAILY Horoscope

from the Carroll Righter Institute

GENERAL TENDENCIES: A day to think over the various philosophies that are of interest to you and to decide which one suits you best. Make plans to have greater income in the future.

ARIES (Mar. 21 to Apr. 19) If you spend more time with the one you love, you can cement far better relations now. Show others you have poise.

TAURUS (Apr. 20 to May 20) Study how to handle civic affairs well. Do that reading which you have been putting off for some time. Think constructively.

GEMINI (May 21 to June 21) You have jobs to do during the week which should be planned and organized well today for best results. Be wise.

MOON CHILDREN (June 22 to July 21) Take time to put your finest creative talents to work and gain more appreciation from others.

LEO (July 22 to Aug. 21) Focus your energies on home and family and have more harmony there in the future. Be poised in all your activities today.

VIRGO (Aug. 22 to Sept. 22) Show increased devotion to family members and gain more harmony. Be sure to schedule week's work before you retire.

LIBRA (Sept. 23 to Oct. 22) Planning financial affairs for the week ahead is wise. Much peace and happiness is yours for the asking at this time.

SCORPIO (Oct. 23 to Nov. 21) Taking the treatments you need in order to feel and look better is wise. Limit your social activities for this day.

SAGITTARIUS (Nov. 22 to Dec. 21) Study how close you are to gaining your most cherished goals. Maintain present harmony with family members.

CAPRICORN (Dec. 22 to Jan. 20) Show a good friend your devotion and improve the relationship. Not a good day to attend a social function.

AQUARIUS (Jan. 21 to Feb. 19) Study the right outlet that could give you added income in the future. Show more devotion to family members.

PISCES (Feb. 20 to Mar. 20) Put those inspiring ideas to work and you do much to enhance your present success and happiness. Show affection for loved one.

IF YOUR CHILD IS BORN TODAY... he or she will find it easy to get at the truth of any complicated situation, and should have the education directed along investigative lines for best results. There's a brilliant and inquiring mind in this chart.

"The Stars impel, they do not compel." What you make of your life is largely up to you!

Chinese, Norwegian firms sign accord

PEKING (R) — The China National Offshore Oil Company (CNOOC) signed its first joint venture agreement Saturday with a foreign firm, the Geophysical Company of Norway (Geco).

Geco officials said the China-Geco geophysical company was a 50-50 joint venture that would provide survey services to international oil companies planning to drill off the Chinese coast.

They expected it to be the only such company doing survey work, though other joint ventures were likely to be formed providing drilling, helicopter and other services.

The company, with a capital of \$2.5 million, would establish headquarters in Tanggu, near the northern port of Tianjin. It might later open offices near Canton.

Last month, 33 foreign companies submitted bids to CNOOC for the right to drill for China's potentially vast offshore oil deposits.

Drilling is expected to start next year, but oil is unlikely to flow in commercial quantities for at least five years, according to Western experts.

Geco officials said the company was also entitled to cooperate in such areas as land seismic surveys, drilling site investigations and data processing.

China introduces hire-purchase system

PEKING (R) — Televisions and other expensive consumer goods will soon be available on hire-purchase to Chinese shoppers, according to the Ministry of Commerce.

Payment will be interest free though interest payments could be imposed "when necessity arises," the New China News Agency reported.

If the price rises during the payment period, buyers will continue to pay at the original price, but if it falls, they will pay at the cheaper rate, it added.

Installment payments had been introduced to stimulate sales of manufactured goods and to help low-income families, it said.

Probe into trades union unfurls embarrassing scandals, blocks way for snap Australian elections

SYDNEY (R) — An official inquiry into an Australian trades union has revealed a tax scandal so embarrassing to the government that it may rule out any idea of a snap election this year.

A royal commission has been investigating the ship painters and dockers union since 1980, and its first three reports shocked the Australian public with allegations of murders, beatings and waterfront corruption.

Now the commission's fourth report, just released, accuses government officers of allowing hundreds of millions of dollars to be lost through tax evasion schemes and alleges that one legal officer was himself involved in tax evasion and ran a prostitution racket.

Prime Minister Malcolm Fraser was believed to have been considering a general election this September or November, a year ahead of time, because Australia's economic problems are expected to be worse next year.

But now there have been press and opposition demands that Australian Attorney-General Peter Durack and Treasurer John Howard should resign over the affair, and the government has had to fight off censure motions in parliament.

Labour Party leader Bill Hayden said that with the commission Mr. Fraser had aimed a shotgun at the painters and dockers union, but it had blown up in his face.

The commission report says that hundreds of millions of dollars were lost in tax evasion be-

cause of incompetence, neglect, inadequate supervision and active deception by government legal officers.

Royal Commissioner Frank Costigan stumbled on massive and widespread tax frauds when he began investigating the involvement of painters and dockers in tax evasion.

A tax evasion scheme was identified in 1973, but nothing was done about it until 1980, the report says.

Instructions to a barrister were drawn up to prosecute those involved, but lay in the bottom drawer of a senior officer of the deputy crown solicitor's office in Perth, western Australia, from 1977 to 1982.

Mr. Costigan found the documents there during his inquiries, and said the officer involved had deliberately hidden them and taken other steps to obstruct investigations, though Mr. Costigan did not suggest why. The report also alleges that an officer in the same office was himself involved in tax evasion and ran a prostitution racket. He probably used the office telephone number in advertisements for his escort agency, the report added.

Even more damaging for the government was Mr. Costigan's statement that the tax evasion schemes, involving thousands of companies, could have been successfully stopped with existing legislation without the need for new laws brought in to combat them in 1980.

In parliament the opposition accused prominent members of the ruling Liberal Party in western Australia of being deeply involved in tax evasion schemes, though this was hotly denied by the Liberals named.

In a special section on crime, the royal commission report says 15 murders and 23 incidents of violence, almost all involving firearms, had been linked with the painters and dockers union between 1970 and 1979.

During elections for the union in 1971 the union branch office in Victoria was sprayed with machine gun fire, and one man was so badly beaten with a brick that he was committed to a mental institution for the rest of his life.

An assassin chased one union member into a bar to "execute" him and killed an 11-year-old boy at the same time. Another union member was shot down by a professional "hit man" in a Melbourne court.

Of four brothers linked with the union, only one survived the violence, the report says.

Mrs. Loris Cooper, a tavern owner in Victoria State who gave evidence against the union, later faced bomb threats, assault, and the firing of a shotgun at her tavern. She is selling the tavern.

"With such a history of violence, murder and maiming there can be little doubt that this union in Victoria is regarded with considerable fear," the report adds.

The commission now has nearly two million pages of documents including a truck and container load of papers.

Mr. Fraser and other government leaders have tried to blunt opposition attacks by attempting to link the opposition with the painters and dockers union, affiliated to the Labour Party.

S. Africa plans to increase arms exports

PRETORIA (R) — South Africa Saturday stepped up an arms export drive by unveiling its second new weapon in three days, a self-propelled 155-mm gun hailed as a world beater.

Defence Minister Magnus Malan described the South African-designed Howitzer as the "most sophisticated weapon system made in the world" at a champagne press showing on a test site outside Pretoria.

Commandant Piet Marais, chairman of the state-owned armaments company Armscor, said the G-6 gun represented a new era in artillery warfare.

He said the G-6, with a range of up to 40 kilometres, was an independent fighting unit which could be made ready to fire within 60 seconds of stopping and leave 30 seconds after it had finished.

THE BETTER HALF By Vinson

"Do you prune family trees, too?"

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

PETIR
HORAC
BIRDHY
ROTTET

Can't it be turned off?

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: "A (Answers tomorrow)"

Saturday's Jumbles: DRYLY OBESE SWIVEL DRIVE
Answer: What's a parrot?—A WORDY BIRDIE

Peanuts

Mutt 'n' Jeff

Andy Capp

THE Daily Crossword By Martha J. De Witt

ACROSS

1 Leave at the altar
5 Analyze, as a sentence
10 Hebrew dry measure
14 Redolence
15 Skiffed
16 — Bayes
17 T.A.E. name
18 Romantic involvement
20 Requires
22 Street, in Sevens
23 Get the suds out
24 Wolflike
26 Deface
27 Asks how much

DOWN

29 Arthur's domain
33 Picks up an option
34 Not mad
35 Egg: pref.
36 Pindar's products
37 Ones
39 Enthusiastic
40 Ames and Wynn
41 Ph
42 A Dahl
44 Enigma
46 Brought up
47 Wife of
48 Satum
49 Docs
50 Out of funds

Yesterday's Puzzle Solved:

ACROSS: 1. CIGARETTE, 2. DANCE, 3. BIRD, 4. RHYME, 5. VILLAIN, 6. LAZARUS, 7. SUSAN, 8. WHITE, 9. STICKERS, 10. DIGITAL, 11. BIRDHOUSE, 12. SIBLING, 13. SEVER, 14. SISTER, 15. SISTER, 16. SISTER, 17. SISTER, 18. SISTER, 19. SISTER, 20. SISTER, 21. SISTER, 22. SISTER, 23. SISTER, 24. SISTER, 25. SISTER, 26. SISTER, 27. SISTER, 28. SISTER, 29. SISTER, 30. SISTER, 31. SISTER, 32. SISTER, 33. SISTER, 34. SISTER, 35. SISTER, 36. SISTER, 37. SISTER, 38. SISTER, 39. SISTER, 40. SISTER, 41. SISTER, 42. SISTER, 43. SISTER, 44. SISTER, 45. SISTER, 46. SISTER, 47. SISTER, 48. SISTER, 49. SISTER, 50. SISTER, 51. SISTER, 52. SISTER, 53. SISTER, 54. SISTER, 55. SISTER, 56. SISTER, 57. SISTER, 58. SISTER, 59. SISTER, 60. SISTER, 61. SISTER, 62. SISTER, 63. SISTER, 64. SISTER, 65. SISTER, 66. SISTER, 67. SISTER, 68. SISTER, 69. SISTER, 70. SISTER, 71. SISTER, 72. SISTER, 73. SISTER, 74. SISTER, 75. SISTER, 76. SISTER, 77. SISTER, 78. SISTER, 79. SISTER, 80. SISTER, 81. SISTER, 82. SISTER, 83. SISTER, 84. SISTER, 85. SISTER, 86. SISTER, 87. SISTER, 88. SISTER, 89. SISTER, 90. SISTER, 91. SISTER, 92. SISTER, 93. SISTER, 94. SISTER, 95. SISTER, 96. SISTER, 97. SISTER, 98. SISTER, 99. SISTER, 100. SISTER.

©1982 Tribune Company Syndicate, Inc.
All Rights Reserved

WORLD

China's revolutionary congress ends

PEKING (R) — China's Communist Party closed its 12th congress Saturday with the appointment of a 132-member central disciplinary commission, Culture Minister Zhu Muzhi said.

The last session of the 11-day congress, the first for five years, also appointed 138 "alternate" or reserve members of the ruling central committee set up Friday, he told a press conference.

Mr. Zhu, the official congress spokesman, said the central committee had been revitalised, its 210 members being on average much younger than before.

Over half its members had been replaced and more than two-thirds of its total membership was now aged under 60, he added.

In a closing speech, former

Vice-Chairman Li Xiannian, 77, welcomed the newcomers to the party leadership with some advice.

The final session in Peking's Great Hall of the People, presided over by General Secretary Hu Yaobang, ended with the 1,574 delegates singing the Communist hymn, the Internationale.

Mr. Zhu said that although several aging and respected party veterans had not joined the new 172-man central advisory commission, a council of elders expected to be headed by party strongman Deng Xiaoping, only 16 members of the new central committee were over 70.

Political analysts said the new leadership line-up would not be known until the first plenary session of this committee, which was

expected to take place Sunday.

Computerised voting

PEKING (R) — China's leaders have used computers for the first time in voting at a Communist Party congress, but the end result still looked like a rubber-stamp election.

The People's Daily said the new system, with a home-produced computer, was first used Friday during elections for the ruling party central committee and the new central advisory commission set up to provide a face-saving way for aging leaders to retire.

Peking television showed pictures Friday night of delegates voting, each feeding two large coloured cards bearing the lists of names into a computer terminal

disguised as a wooden ballot box.

This would enable the congress to compile a table setting out who was the most popular and who had just scraped in, although this information has not so far been disclosed to the Chinese people and looked likely to be kept secret.

But although all the candidates proposed were elected to the two bodies, the paper said there had been an earlier preparatory election on Wednesday, which apparently permitted more real choice.

The list for the preparatory election had been drawn up by the congress presidium, a body consisting of most of the powerful party politburo and secretariat and others chosen by the top leadership.

China hails Fez summit

PEKING (R) — China Saturday hailed the results of this week's Arab summit conference in Fez as a big step towards Arab unity.

"The just-concluded summit made major progress in Arab unity, for the Arab countries with conflicting views not only sat together but also adopted an Arab peace plan unanimously," the New China News Agency (NCNA) said in a commentary.

But the agency made a thinly-veiled criticism of President Reagan's recent Middle East peace initiative, and said the U.S. had not fundamentally changed its position of "supporting and abetting Israel".

The agency's commentator said the Fez summit "indicates that the Arab states are able to safeguard their national interests by themselves alone and maintain peace in their region."

"It has been shown by history that, in their efforts to have a hand in the Middle East, the superpowers have always tried to achieve their own strategic aims rather than to serve the interests of the Arab states and people."

The Chinese agency said the Arab nations had a rugged road ahead in implementing the summit's peace plan, and immense efforts would be needed to achieve a just, lasting and overall peace in the Middle East.

China denies deal

PEKING (R) — China has denied that Israeli arms merchants planned to visit Peking soon despite a ban on trade with Israel.

Asked to comment on a report that Israeli arms salesmen would come to China in the next few weeks, a foreign ministry spokesman said: "It is sheer fabrication." She declined to elaborate.

Informed Western sources told Reuters Friday that representatives of the government-owned firm Tadiran planned to display advanced electronic tank equipment to Chinese military officials.

Beirut tries to reopen devastated parliament in time for Gemayel

By Paul Eedle

BEIRUT (R) — In a wasteland of derelict streets where for years only gunmen have roamed, workmen are hurrying to renovate Lebanon's parliament building in time for a new president to be sworn in on Sept. 23.

Basfir Gemayel, the Christian militia commander now elected president, is determined to take his oath of office in the original house of deputies in downtown Beirut to symbolise a return to normality after eight years of war.

When the current president, Elias Sarkis, was sworn in at the end of 1976 Lebanon had been in the grip of civil war for nearly two years and the ceremony had to be held under the protection of Syrian troops in a hotel in the eastern town of Choura.

The parliament building was on the front line in the battles raging between Muslim leftist militias, backed by Palestinian commandos, and rightist Christian forces.

But in the wake of the Israeli invasion of Lebanon and the evacuation of Palestinian commandos from Beirut the government has been able to restore a degree of law and order to the anarchic capital.

Civil war devastation

The commercial district around the parliament was the scene of some of the fiercest fighting in the civil war and has been a battleground ever since, deserted except for gunmen from rival factions lurking in the wreck of banks, shops, shipping offices and cinemas.

The once-elegant colonnaded buildings in the streets leading away from the parliament are still burned-out shells with sand-bagged gun emplacements every few metres along the pavement.

But the Lebanese army, helped by French Foreign Legionnaires, has now bulldozed away the sand barricades that blocked the main streets and has defused or blown up the mines buried in the asphalt.

Two men on ladders are painting the iron gate of the parliament building, opened in 1935 when Lebanon was still under the mandate control of France.

Inside, the wooden stalls in the semi-circular debating chamber have been warped and stained by years of rain flooding through the broken array of windows set in the roof.

A crowd of workmen in the surrounding corridors and rooms are knocking together new wooden doors, laying marble floors, and whitewashing grimy walls.

Two men are studying the jagged remains of a window blasted by a rocket. In the room next door, the walls are still scarred with the legend "Palestine — revolution until victory" and on the floor lies a tattered diary for 1976.

In the streets outside, here and there businessmen have returned to survey the remains of their shops and offices.

"Look at this place," says Ibrahim Turk, who had a bookshop nearby. "A friend of mine bought it for two million Lebanese pounds (then about \$800,000) in Nov. 1975. He was only in it two months."

The boutique with its stylish glass and chrome fronting is now framed by weeds and chipped by bullets.

The roads around Martyrs' Square, the centre of the old commercial district, have also been bulldozed and cleared of mines.

But the palm trees that used to line the square are ragged stumps and the park in the middle with its floral clock has grown into a jungle buzzing with insects.

Bullets have torn holes in the bronze statue of "Lebanon as a youth in the protective arms of liberty."

NEWS IN BRIEF

France may sell Mirages to Peru

LIMA (R) — France may sell advanced Mirage warplanes to Peru, France's Defence Minister Charles Hernu has said. Speaking to reporters after two days of talks with the Lima government and Peruvian military chiefs, Mr. Hernu said Friday a Franco-Peruvian commission was examining the possibility of a deal for the jets. France would be delighted to provide the fighters. "Our policy is not one of interference but of being present if called upon," he said.

Peruvian air force chiefs have said they are considering replacements for their ageing Soviet-built Sukhois. The air force also possesses an old model of the Mirage.

Mr. Hernu said he had discussed the transfer of technology to Peru but stressed he had not come as an arms merchant. "It is a question of exchanges, of military cooperation, to assure Peru of real technical assistance," he said.

Filipino beheaded in Saudi Arabia

JEDDAH (R) — A Filipino was publicly beheaded in Saudi Arabia Friday for killing one South Korean and injuring another during an armed robbery last month, the interior ministry said. Jesso Sese Ha was the second Filipino to be executed in five weeks in the kingdom. He was beheaded in the summer capital of Taif after Friday noon prayers, the ministry said.

Trudeau reshuffles 5 cabinet posts

OTTAWA, Canada (A.P.) — Marc Lalonde, author of Canada's national energy programme, was named finance minister Friday as Prime Minister Pierre Trudeau shuffled five top cabinet posts and promised more changes. Mr. Lalonde will replace Allan Rock, who returns to external affairs after presiding over finance for 2½ years and absorbing widespread criticism as Canada slid into recession. Mr. MacEachen, 61, will remain deputy prime minister. Jean Chretien, who as justice minister led the fight for the new constitution, will take over energy. Mark McGuinty, a former law professor, moves to justice from external affairs. Sen. Jack Austin of British Columbia was named minister of state for social development, the other half of Mr. Chretien's former portfolio.

Kampuchians find new mass grave

BANGKOK (R) — The Kampuchean authorities have uncovered a fresh mass grave near Phnom Penh containing the remains of about 1,500 people. Radio Hanoi reported Saturday. The radio, monitored in Bangkok, said they were the victims of the former Khmer Rouge regime which was ousted in Jan. 1979. The Khmer Rouge have been blamed internationally for the deaths of hundreds of thousands of Kampuchians during nearly four years in power.

Spanish premier to step aside in favour of UCD president

MADRID (R) — Spanish Prime Minister Leopoldo Calvo Sotelo will not lead the country's next government even if his party wins elections in October, he was officially announced Friday night. The ruling Union of the Democratic Centre (UCD) said it would present party President Landelino Lavilla as its candidate for prime minister in the Oct. 28 polls in place of Mr. Calvo Sotelo.

Late leader's son named for top post in Kashmir

SRINAGAR, Kashmir (R) — The ruling National Conference Party of the northern Indian state of Jammu and Kashmir Saturday elected Farooq Abdullah, son of the late Sheikh Mohammad Abdullah, as leader of its legislative wing. Dr. Farooq, 45, was sworn in as acting chief minister after the death last Wednesday of the "Lion of Kashmir". He has recently faced rivalry from his brother-in-law, Ghulam Mohiuddin Shah, but Saturday Mr. Shah endorsed the unanimous vote in favour of Dr. Farooq.

Soviet phone breakdown starts rumours abroad

MOSCOW (R) — Telephone links between the Soviet Union and the West were partially restored Friday after the Moscow exchange broke down and sparked off rumours about the health of Soviet President Leonid Brezhnev.

Western residents of Moscow said they had received incoming calls but they were still unable to dial out of the Soviet Union.

Earlier Friday an official at the posts ministry in Moscow said there was a technical problem which had led to the collapse of the whole system, but that technicians were trying to repair it.

The telephone problems produced a spate of rumours in the United States that something had happened to Mr. Brezhnev. On the New York commodity exchange analysts said gold futures rallied from sharp opening losses of more than \$11 but weakened again later.

Western embassies said most of Moscow's telex system collapsed two days ago and technicians told them it was because of overloading after many businessmen and other foreign residents switched from the telephone.

In New York, CBS Radio said it was able to telephone Moscow

Friday using a direct dial number via London and he said telephone officials in the Soviet capital insisted the problems were technical and not political in nature.

In Washington, Secretary of State George Shultz was asked at a Senate foreign relations committee hearing whether the cutoff of telephone calls could indicate a change of government was under way in Moscow.

Mr. Shultz replied, "I have just heard that myself and I don't think I'll comment on it because I don't know anything more than just what you've said."

On Sept. 2, Moscow informed the American Telegraph and Telephone Company that it would end all direct dial calls from the United States to the Soviet Union for what it termed were technical reasons.

An AT and T spokesman said Friday's event did not seem connected to that announcement. He said that Moscow had informed AT and T that the problem lay with the international switch which is in Moscow.

The spokesman added it was only possible to get through to the four Soviet cities of Leningrad, Tain, Minsk and Kiev using manual lines.

London press sceptical of Lord Lucan story

LONDON (R) — A British houny hunter's claim to have found Lord Lucan, the high society gambler missing since the 1974 murder of his children's nanny, was denounced as a hoax Saturday by London newspapers.

Soldier of fortune John Miller's declaration that his men were holding the earl after tracing him in South America filled the front pages of Friday's mass-circulation Daily Mirror and Daily Star. But Saturday other papers dismissed it as just another false trail.

The Times, journal of the establishment, said it was all an elaborate hoax, while the top-selling Sun said Miller's story was a ruse hatched in London clubs to fool the world.

And Scotland Yard police, whose file on Lord Lucan is still open, said they were not planning to follow up the new reports.

The 47-year-old earl was named by an English inquest jury as the killer of nanny Sandra Rivett, bludgeoned to death in the family home in London.

Miller, who hit the headlines a year ago when he abducted fugitive train robber Ronald Biggs

from Brazil, Friday stood by his assertion that Lucan was in a small town somewhere near the Caribbean coast of South America.

But the Times said he was unable to provide proof and failed to stand by offers to take reporters to the earl's hideout.

Several papers reported that messages which Miller told journalists were British government confirmation of his find had in fact been sent by Miller himself.

The Sun said the whole story was planned in a London club by Miller and a friend who resembled Lord Lucan closely. It quoted an unnamed businessman who was in the club as saying: "Miller was talking quite openly about how he was going to fool everyone... he said he would use him (the friend) to convince the press he had the real Lord Lucan."

Miller, 38, a former British soldier, Friday left Trinidad, where he broke his story, for Miami. There he told reporters he had sent photographs of the man he saw in South America, and details of physical characteristics, to a friend of the earl who confirmed his identification.

American Jewish leader sees positive aspects of Reagan's Mideast initiative

WASHINGTON — The director of a leading pro-Israeli lobbying organisation in Washington said that there was "a lot of value" in President Ronald Reagan's Middle East initiative.

Thomas A. Dine, the executive director of the American Israel Public Affairs Committee, added Monday that he believed the key to its success would be whether Jordan agreed to join the Palestinian autonomy talks with Israel, Egypt and the United States.

He openly differed with Prime Minister Menachem Begin's negative assessment of sharply rejected by the Israeli cabinet.

In an interview, Mr. Dine said that "there were many constructive points" in Mr. Reagan's plan and that "it has been very well received by the American population."

"I can assume that members of Congress, who will be returning from recess to Washington this

week, will also receive it in the same way," Mr. Dine said. His organisation has 31,000 members, and the presidents of the major American Jewish organisations are on its executive committee.

Rarely differs with Israel

The group is registered as a lobbying organisation with Congress. It is not formally an agent for Israel, although it rarely takes a position much different from that of the Israeli government.

Mr. Dine said he was not concerned about not sharing Mr. Begin's views on Mr. Reagan's plan.

"We are an American organisation, concerned with American foreign policy," he said. "I see my job in strengthening American-Israeli relations. Begin sees his in strengthening Israeli security, and Reagan, in strengthening American security."

The main question now that the plan has been made public, he said, is "what can it deliver?"

Mr. Dine said in the interview that he had some reservations about the Reagan plan. He said it did not focus enough on the need to remove foreign troops from Lebanon or to encourage a peace treaty between Israel and Lebanon.

Another of Israel's major supporters in Washington, Senator Rudy Boschwitz, Republican of Minnesota, said Mr. Reagan's speech Wednesday "had positive value and was a restatement of the U.S. viewpoint that has existed for 10 years."

The comments by Mr. Dine and Mr. Boschwitz seemed to suggest that the Begin government could not count on automatic backing from its traditional supporters in the United States in opposing the Reagan plan.

— New York Times

Fez plan a step forward despite U.S.-Arab differences

By Sidney Weiland

Reuter

LONDON — Arab peace proposals differ radically from a U.S. blueprint for a Middle East settlement, but were assessed by Western analysts Friday as a major advance.

Despite the differences, analysts said the Arab plan and President Reagan's call for a "fresh start" in Middle East peace-making would combine to put maximum pressure on Israel.

Arab leaders, ending a four-day summit in Fez, Morocco, broke dramatically with 35 years of Arab thinking by acknowledging Israel's right to exist within secure boundaries.

They also demanded a Palestinian state led by the Palestine Liberation Organisation (PLO) and the dismantling of more than 100 Jewish settlements on occupied Arab land.

Mr. Reagan switched U.S. policy last week by backing Palestinian self-government under Jordanian control, but put the U.S. firmly against an independent Palestinian state.

Western analysts said the Fez summit had staked out a maximum position on this issue which should not be regarded as the

Arab World's final stand.

On the Israeli settlements, the Arabs went further than Mr. Reagan, who has called for a freeze on further building but is ready to allow existing settlements to stay.

On this issue also, analysts said, the Arabs would probably eventually yield. The Fez demands were widely seen by experts in Western Europe as an opening bid in Arab diplomacy.

Western diplomats generally welcomed the eight-point Fez plan as encouraging and a further building block in a new peace process following the evacuation of PLO commandos from Beirut.

By calling for U.N. Security Council peace guarantees, the 20 Arab leaders at the summit opened the way for a possible Soviet return to Middle East diplomacy.

Moscow has been effectively shut out since soon after the last Arab-Israeli war in 1973. Security Council involvement, which would give the Soviet Union the right of veto, is almost certain to be resisted by the U.S. and its major allies, diplomats said.

The U.S. and the Soviet Union co-sponsored a brief Middle East peace conference in Geneva after the 1973 war.

Since then, Moscow has lost in-

fluence heavily in the area while the U.S. emerged as a peace broker in the Camp David accords which led to peace between Israel and Egypt in 1979.

A sop to Syria

Western diplomats said the apparent opening to Moscow offered by the Fez summit was probably a sop to Syria, the Soviet Union's main ally in the region.

It was also seen as a warning that the Americans could not expect total Arab acquiescence in proposals hatched on the Arabs to hold direct peace talks.

The Reagan administration has said it will keep up "proper pressure" on Israel to agree to a peace settlement.

The Arab proposals differ mainly from a Reagan plan, announced 10 days ago, in calling for an independent Palestinian state with occupied Jerusalem as its capital.

Mr. Reagan wants Palestinian self-government in the occupied West Bank and Gaza under arrangements that would virtually link Israel-held Arab territory with neighbouring Jordan.

He also left the way open for border adjustments which could leave Israel in control of at least some segments of territory it captured in the 1967 six-day Middle East war.

The Fez summit called for Israel to withdraw from all occupied territory, virtually a demand that the Jewish state should retreat to what it regards as the highly vulnerable borders it controlled 15 years ago.

The Reagan plan proposed Israeli withdrawal from the West Bank and Gaza but made no mention of the Golan Heights area seized by Israel from Syria in 1967 and annexed last year.

While the Arabs called for Jer-

usalem to become a Palestinian capital, Mr. Reagan said the city's status should be negotiated.

The Arabs envisage a Palestinian state firmly under the leadership of Yasser Arafat's PLO.

The American plan ignores the PLO and the U.S. has said it will have no dealings with Mr. Arafat until he recognises Israel and renounces terrorism.

Western diplomats doubted that the implied recognition of Israel by the Fez summit would be enough to satisfy the U.S. that the PLO has genuinely accepted Israel's existence.

But the summit's call for U.N. "guarantees of peace for all states in the region" could become a factor in U.S. reassessment of a PLO role, they said.

A senior NATO official dealing with Middle East problems described the summit as "very encouraging."

The official said Syrian President Hafez Al Assad's endorsement of the Fez formula was a "remarkable volte face."

Egypt and Libya were absent at Fez, and the leader of Marxist South Yemen had left by the time the plan was announced, but otherwise it was said to have been approved unanimously.

GOREN BRIDGE

BY CHARLES H. GOREN

©1982 Tribune Company Syndicate, Inc.

Q.1—Neither vulnerable, as South you hold:

♠AKQ105 ♥A33 ♦8♠AK65

The bidding has proceeded:

South West North East

1 ♠ Pass 2 ♠ Pass

3 ♠ Pass 3 ♠ Pass

What action do you take?

A.—Proceed with caution.

Partner might have a sub-

minimum two-over-one

response with long

diamonds, so you have

a potential misfit. Still, your

hand is too strong to stop

short of game, and slam is

still a distinct possibility—if

partner has no more than

seven diamonds to the K-Q-J,

you have reasonable play.

The best way to probe is to

complete the description of

your hand with a bid of three

hearts.

Q.2—Both vulnerable, as

South you hold:

♠107 ♥A33 ♦K3653 ♠K39

The bidding has proceeded:

West North East South

1 ♠ Pass Pass ?

What action do you take?

A.—In the balancing seat

you can make a takeout

double with fewer high

cards than in the immediate

seat, and that is the action

we would choose. It is superior

to a bid of two diamonds

because it does not limit

partner's options, and permits

you to punish the opposition

should partner have a trump

stack.

Q.3—North-South vulner-

able, as South you hold:

♠K754 ♥10632 ♦74 ♠95

The bidding has proceeded:

North East South West

1 ♠ 2 ♠ Pass Pass

2 ♠ Pass ?

What action do you take?

A.—Thus far, you have

promised partner nothing

when, in fact, you have

quite a useful hand. You

have four-card support

headed by the king

for partner's second

suit, and ruffing values